

How the Wabash maintains 205
units in **diesel spot-shop**
at Decatur..... p. 18

November 20, 1961

RAILWAY AGE WEEKLY

Milwaukee lowers tunnel floors
for 'high-and-wide' loads

... p. 14

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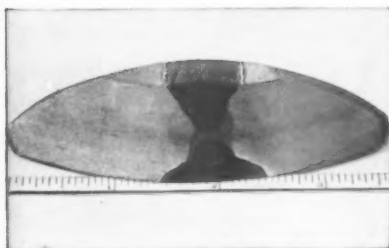
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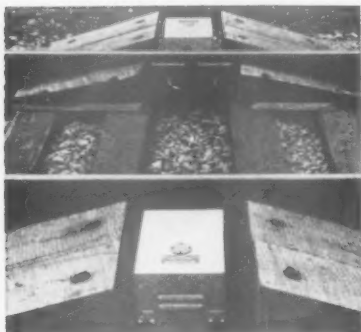
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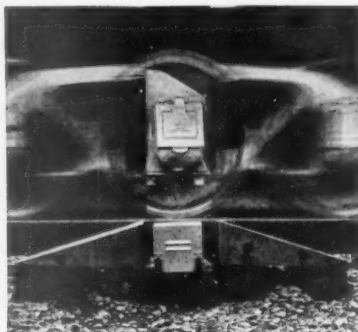


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Nov. 20, 1961 • Vol. 151, No. 21

Radio dispatching methods questioned

The Railway Labor Executives' Association says some railroads are dispatching trains by radio and telephone without taking adequate safety measuresp. 9

Are RRs lagging in technology?

Progress has been made in key areas, but the rate of technological change in the industry may be too slow, an RSMA meeting was told in Chicago last weekp.11

Milwaukee lowers tunnel floors for oversized loads

The project, brainchild of the road's traffic officers, permits "high-and-wide" loads to be handled over the Milwaukee's transcontinental lines to the Pacific northwestp.14

How the Wabash uses its diesel spot-shop

The so-called progressive maintenance technique, being adopted by more and more railroads, is used to handle 205 diesel units at the Decatur, Ill., shopp.18

Automated transit car unveiled by GE

In introducing the demonstrator unit, GE predicted that "at least a dozen" metropolitan areas will be using automated rapid transit within ten yearsp.24

Rate 'me-tooism' decried

Selective rate-cutting was vigorously defended by the D&RGW's traffic vice president in an address before the Central Western Shippers Board at Denverp.30

Railroads advised: 'Unite on one goal'

C&NW Chairman Heineman thinks the industry should assign priority to a single legislative aim. His suggestion: abolition of minimum rate regulationp.32

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November 20, 1961 RAILWAY AGE

The Action Page—Samson gets his hair cut

The railroads' strength lies in low line-haul costs. Denying them the right to reflect their economy in competitive rates is comparable to Delilah's cutting Samson's hairp.38

Short and Significant

Employment on Class I railroads...

dipped to 720,784 in mid-October—a decline of 5.13% from the comparable 1960 figure, according to the ICC's Bureau of Transport Economics and Statistics.

Missouri Pacific continues...

to buy C&EI stock. As of Nov. 10, MP held 97,704 shares (19.4%) of all C&EI Class A and common shares. Recent purchases: 25,500 common shares, 1,000 shares of Class A.

A permanent organization...

to study containerization in Canada may be established as one result of a just-concluded Toronto conference which was sponsored by the National Harbours Board.

C&NW has expanded...

rail-bus commuter ticket service. Beginning Dec. 1, riders in Deerfield-Highland Park, Ill., can use a feeder bus line and C&NW commuter trains on a through ticket.

St. Lawrence Seaway canals...

between Montreal and Lake Ontario are scheduled to close at midnight, Nov. 30, depending on weather and ice conditions, the Seaway has announced. Seven locks are affected.

Equipment loans totaling \$37 million...

for South Korea's railways are reported to have been high on the list of items which Gen. Chung Hee Park asked for in his talks with President Kennedy last week.

Current Statistics

Operating revenues		
9 mos., 1961	.....	\$6,772,848,568
9 mos., 1960	.....	7,212,974,820
Operating expenses		
9 mos., 1961	.....	5,429,147,181
9 mos., 1960	.....	5,724,682,754
Taxes		
9 mos., 1961	.....	734,157,037
9 mos., 1960	.....	781,660,279
Net railway operating income		
9 mos., 1961	.....	316,939,846
9 mos., 1960	.....	433,542,127
Net income estimated		
9 mos., 1961	.....	182,000,000
9 mos., 1960	.....	304,000,000
Carloadings revenue freight		
44 wks., 1961	.....	24,283,368
44 wks., 1960	.....	26,437,192
Freight cars on order		
Oct. 1, 1961	10,133
Oct. 1, 1960	21,662
Freight cars delivered		
9 mos., 1961	25,139
9 mos., 1960	43,719

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Radio Dispatching Methods Questioned

► **The Story at a Glance:** Allegations that railroads are dispatching trains by radio and telephone under arrangements which lack adequate provisions for safety have come from the Railway Labor Executives' Association. Following RLEA's latest meeting in Washington, the association's chairman, George E. Leighty, said the union leaders were concerned about such arrangements and were determined to do something about the situation. Mr. Leighty also reported that RLEA is making a study of railroad problems; that it is still opposed to all pending railroad consolidations, especially the proposed New York Central-Pennsylvania merger; and that it thinks abandonments of passenger and LCL services have gone too far.

Gripes of the Railway Labor Executives' Association about several current developments in railroading were aired at the association's latest Washington meeting which was held during the week ended Nov. 11. The association's positions on the matters discussed were announced by its chairman, George E. Leighty, at a Nov. 10 press conference.

The way some railroads are using radio and telephone communication to direct train operations is a matter of concern to the unions, Mr. Leighty said. He tied the feeling of concern to worry about safety of the operations involved and charged that some roads "are permitting train meets without the knowledge of dispatchers," and that supervisory officials are using train-phones to change orders of dispatchers.

Asked if he had a "bill of particulars" to support the charge, Mr. Leighty said he had reports from railroad employees which amounted to a bill of particulars. He conceded that there has been no recent accident caused by "interference" with usual dispatching procedures, but he recalled a head-end collision of 10 years ago which he considers precisely in point.

That collision, involving Louisiana & Arkansas trains, occurred Aug. 10, 1951, near Lettsworth, La. Out of the ICC investigation came evidence indicating that a trainmaster, riding one

of the trains, had been using radio in a rules-breaking undertaking to expedite movement of that train over the single-track line involved. The Commission recommended that the L&A discontinue the practice of "arranging unauthorized train movements by use of the train communication system."

The recommendation did not condemn use of train radio for dispatching. It did suggest, however, that if train radio is to be used for that purpose, such use should not be on a play-by-ear basis—it should be bottomed on formal arrangements and rules like those of dispatching systems which use telegraph communications.

RLEA has not reached a final decision as to what it will do, Mr. Leighty said. If it goes to the regulatory authorities, its first approach may be to the Federal Communications Commission, he added. He went on to say, however, that interested unions may decide to file a demand for what they regard as an adequate rules set-up under provisions of the Railway Labor Act.

As to the RLEA study of railroad problems, Mr. Leighty said only that

it was under way and that it would include a survey of the merger situation. It is being done by an independent research organization, but the RLEA chairman would not identify the study group.

Meanwhile, Mr. Leighty had identified the merger situation as the "first problem" with which RLEA is concerned. Among other factors which gave it priority was the renewal of merger talks between the New York Central and Pennsylvania (RA, Nov. 13, p. 9).

The RLEA chairman went on to predict that an NYC-PRR tie-up would be the "most harmful one for shippers, travelers, the national economy and the national defense that has yet been thrown into the merger merry-go-round." Mr. Leighty then recalled recent statements of NYC President A. E. Perlman to the effect that an NYC-PRR merger would not be in the public interest, so he found it "hard to understand" the revival of the proposed union. Mr. Leighty conceded that the two roads have the natural motive of seeking to protect themselves, but RLEA doesn't think their merger would be "practical." He explained:

"It would cut service. It would throw railroaders out of work. And it would result in losses of business to competitors. We think it would worsen the Central and Pennsy positions."

As to RLEA's position on mergers generally, Mr. Leighty said it hasn't changed. That means RLEA still thinks there are "very few places" where a mer-

PFE Piggyback: 'Ready To Go'

Lewis D. Schley, vice-president and general manager of Pacific Fruit Express, reports that PFE is ready to enter perishable piggyback in a big way (RA, Oct. 23, p. 8).

The company is presently taking delivery of 400 refrigerator trailers—a \$5-million order—and the entire fleet "should be in service by the end of the year."

The new trailers, called "Tempco-Vans," are designed to serve western fruit and vegetable growers and shippers. They will be used to handle perishable products from California and Arizona points to consuming centers in the middle west.

Westbound, the trailers will handle other perishables, merchandise, fresh meats and packing house products.

PFE's trailers are equipped with diesel refrigeration units capable of maintaining exact temperature settings from below zero to 70 deg. F.

The piggyback operation, Mr. Schley notes, will augment PFE's existing fleet—"the nation's largest"—of reefer cars.

ger would be in the public interest.

Mr. Leighty's count on what he called the "new rash of passenger train discontinuances" indicates that some 20 train-off notices have been filed in the past few weeks—most of them by the Boston & Maine and Chicago & North Western.

With respect to the North Western, Mr. Leighty assailed the pending proposal to drop the "400's," saying that road was on record with a commitment that it would "always run the 400's." As to the B&M, he said a "little effort" would get for that road enough business to support the passenger trains it proposes to drop. Meanwhile, RLEA is "pleased" that the ICC recently required cancellation of train-off notices filed by the Soo and Missouri Pacific.

RLEA's complaint about abandonment of LCL services runs to the use of tariffs as abandonment notices. Mr.

Leighty said that amounts to abandonment of service without due notice or opportunity for interested parties to be heard. The interested communities "don't see these tariffs," he said.

Another announcement from Mr. Leighty revealed that RLEA has authorized its attorneys to seek from the United States Supreme Court more specific directions to the Supreme Court of Georgia in the union-shop case involving expenditures of union funds for political purposes (RA, June 26, p. 64). RLEA's pleading will allege that the Georgia Supreme Court's instructions to the lower court charged with implementing the U.S. Supreme Court's ruling are not in accord with that ruling.

Indicating what RLEA has in mind, Mr. Leighty said the Georgia Supreme Court ignored the determination that the proceeding is not a so-called class case, which means that the decision ap-

plies only to the six Southern employees who were litigants. The Georgia court's instructions permit others to intervene, Mr. Leighty said. He also said that the Georgia court has instructed the lower court to the effect that union records should be examined to determine what portion of dues is spent for "political purposes" (though it did not define that phrase); and that, if the "political" expenditures could not be identified, an injunction should be issued forbidding all political expenditures.

Other pending litigation discussed at the RLEA meeting was a case which Mr. Leighty said the North Western has instituted in Iowa courts to get a determination approving job discontinuances and other organization changes made possible by its absorption of the former Chicago, St. Paul, Minneapolis & Omaha. RLEA will oppose the railroad in court.

WATCHING WASHINGTON WITH WALTER TAFT

● **RAILROAD UNIONS' PROPOSAL** for a labor-management committee on safety will be discussed informally this week under the auspices of Chairman Hutchinson of the ICC. The meeting, scheduled for Nov. 22, was called by Mr. Hutchinson after the idea had been brought to the Commission's attention by George E. Leighty, chairman of the Railway Labor Executives' Association.

AS THE ICC CHAIRMAN SEES IT, the meeting will afford opportunity for informal discussion of the unions' proposal before it is given any formal consideration by him or the Commission. Three representatives of RLEA were expected to attend, while the railroads were to be represented by C. D. Buford, vice president of the AAR, and D. L. Manion, president of the American Short Line Railroad Association.

RLEA'S APPROACH to the ICC follows several years of unsuccessful efforts to sell the joint-committee idea to the AAR. Although it never specifically rejected the idea, the AAR did nothing. All RLEA got was "a lot of sweet talk" is the way Chairman Leighty puts it.

PRESUMABLY, the unions now hope to get ICC endorsement of the proposal, and thus prod management into going along. Generally, management's position seems to be that a joint committee would not promote safety, which is promoted best by full employee cooperation and participation in safety programs of individual roads. Moreover, there may be some fears that a joint committee might become a labor platform for promoting "make-work" projects in the guise of safety measures.

RLEA'S HOPE for Commission endorsement is indicated in statements made by Chairman Leighty. Discussing Commission Chairman Hutchinson's call for this week's meeting, Mr. Leighty said a letter he had received from Mr. Hutchinson could be interpreted as indicating some Commission feeling that a committee like that proposed "could be helpful." Previously, Mr. Leighty had said that several commissioners seemed favorably disposed toward the idea.

● **THE PRESIDENTIAL COMMISSION**, which is investigating the railroad industry's dispute over working rules applicable to operating employees, won't make the Dec. 1 deadline for completion of its report. As expected (RA, Oct. 16, p. 19), the commission has invoked that provision of its mandate which permits it to take additional time, up to 90 days.

COMMISSION CHAIRMAN Simon H. Rifkind said last week that this became necessary because of the time taken by the "foregathering" phase of its work. This involved 96 days of hearings, which produced a 15,503-page record of testimony, plus 319 exhibits. It also involved staff studies and inspection tours. The commission is now holding executive sessions to review the issues and to explore "ways in which the disputed issues might be resolved," Chairman Rifkind also said.

THE ISSUES are management's demands for changes in "op" rules to end "featherbedding." The commission is a 15-member body, consisting of five representatives of management, five representatives of the "ops" and five public members, including Chairman Rifkind.

Are RRs Lagging in Technology?

► **The Story at a Glance:** Are railroads doing a good job in keeping themselves technologically up-to-date? The question was raised in Chicago last week in two key speeches at the Railway Systems and Management Association meeting.

Dr. O. M. Solandt, Canadian National vice president, research and development, and Aaron J. Gellman, director of planning, North American Car Corp., each suggested the railroads may be moving too slowly.

Dr. Solandt called for "vastly expanded research." Mr. Gellman listed internal and external barriers which the industry needs to overcome.

For the better part of three days last week, members of the RSMA heard evidence of how railroads are moving ahead in key areas—in new rolling stock ideas, in data processing, in internal and external communications. But the meeting also heard suggestions that present progress may be too slow.

At a Wednesday night panel session moderated by B&O President Jervis Langdon, Jr., speakers raised these doubts:

"Failure to develop an adequate program in order to bring about needed technological changes could lead to the disappearance of the railways."

This point was made by Dr. Solandt of the CNR. The following speaker, Mr. Gellman, put it similarly: "If railroads are to prosper, means must be speedily established through which proposals for technological innovation . . . can be skillfully and independently evaluated."

The two speakers were panelists on the subject, "Technological Change—Key to Railroad Future?"

Dr. Solandt spelled out his concern by listing "technology" as one of the "potentially lethal" problems faced by railroads. He said there is little doubt that long-haul freight business has great potential, although the movement of solids in pipelines may make some inroads.

If this freight potential is to be realized, however, there is need for improvements in freight car truck design and components. Moreover, these improvements must provide greater reliability as a first step toward automatic train operation.

The CNR officer said a reliable automatic coupling must also be developed—one that will permit automatic coupling of both air hose and draft gear.

Other needs, Dr. Solandt said, include a "small number of compatible techniques for piggyback and container

operation," including a widely-available means of transfer from road to rail and rail to road; further improvements in data processing, including maximum compatibility between different systems; and "substantial improvements" in the techniques of both signaling and communications.

Dr. Solandt also wondered if the time has now come to consider establishment of an interline car and locomotive pool.

"An agency that could survey the whole continent could improve total utilization of equipment and greatly reduce total cost of programming equipment movement from areas of surplus to areas of shortage," he said. The CNR officer went on to suggest that an enlarged research program, carried on jointly by all roads, could help solve the technical problems railroads face today. He suggested, as an initial target, \$10 million per year.

The North American Car officer, Mr. Gellman, spoke less of specific hardware needs. His concern is with the "barriers" that exist, both inside and outside the industry, to hamper technological progress.

Mr. Gellman mentioned two specific

examples of how the industry builds its own barriers. One, he said, results from the need for common interchange. A single strategically located carrier can, in effect, veto a desirable change. The need for standardization can, and sometimes does, work against progress.

One thing that would help in this area, Mr. Gellman said, would be a shifting of the burden-of-proof when innovations are suggested. For the most part such proof now rests with the proposer; Mr. Gellman believes the burden of proof that an innovation won't work should be lodged with those who oppose the change.

Mr. Gellman's second example of a self-made barrier in the industry is what he called "the general failure to take a 'systems approach' to problems." The financial officer who must approve large capital expenditures needs the "system idea" before he can intelligently decide how to allocate scarce capital, he said.

Among the external barriers listed by Mr. Gellman are those arising from labor, which often exerts pressure against change; adverse government regulatory policies, and outdated depreciation rules.

CPR Extends 'MS' Program

Opening of new merchandise terminals at Calgary and Edmonton last week marked eastward extension into Alberta of the Canadian Pacific's "Merchandise Services."

Goals of the CPR's "MS" program:

1) To bring about complete integration of rail LCL, express and truck operations in the handling of less-carload and package freight; and

2) To "provide the best possible service at maximum efficiency and minimum cost" through coordination under a single administration of all available "tools of transportation"—rail, road, air and water.

The program was initiated on a limited scale on Vancouver Island in August 1959; extended to Vancouver city the following October, and into the interior of British Columbia between then and May 1960. The new facilities at Calgary and Edmonton bring the service into Alberta under a program which eventually will take it across the entire CPR system, as far east as Nova Scotia.

The new Calgary terminal, adjacent to the city's central business district, includes a rail car dock 40 ft by 176 ft, serving 32 car spaces on eight tracks;

a trailer dock 80 ft by 242 ft with 21 trailer doors and 21 pick-up and delivery truck doors; an office building 40 ft by 100 ft, and a dock office area 20 ft by 80 ft.

The Edmonton facility includes a 42-ft by 59-ft office building and a single dock area, 80 ft by 221 ft, with 13 trailer doors, 18 pick-up truck doors, and 12 car spaces on four tracks.

Both terminals include an under-floor Towveyor system, and a central sorting ring, 20 ft in diameter, surrounded by 54 bins, each representing an outbound destination or an inbound delivery zone.

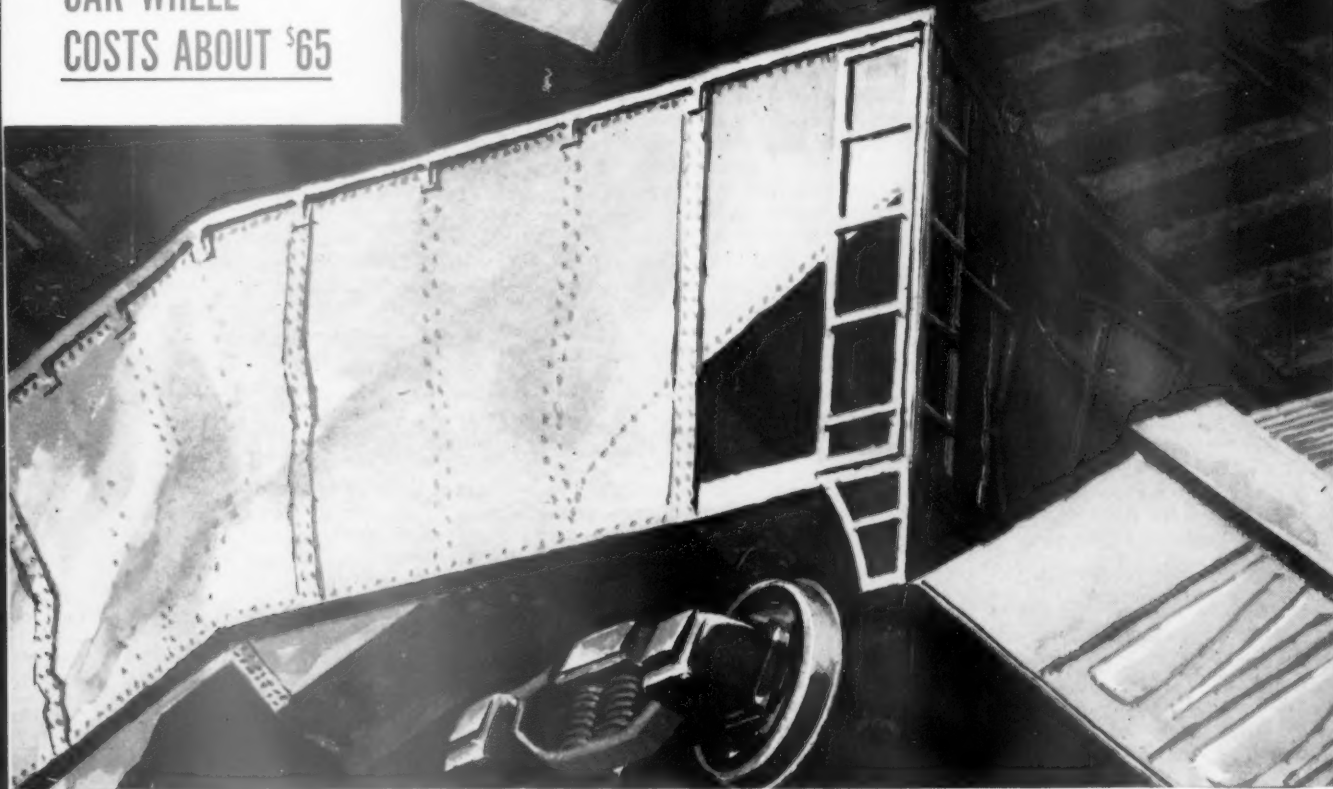
Each terminal also includes a three-level belt-and-slide conveyor system, described as "unique in freight handling systems in North America," for packages which cannot or need not be handled by Towveyor.

Both Calgary and Edmonton terminals have pneumatic tube and loud-speaker systems; full weather protection, and conveyor safety devices. Yard areas are fully paved, with maintenance and service facilities and scales.

Cost of the Edmonton terminal was \$560,000; of the larger Calgary facility, \$840,000.



A GOOD FREIGHT
CAR WHEEL
COSTS ABOUT \$65



A POOR ONE MAY COST MILLIONS!

Today every railroad is looking for ways to save money—but, is saving a few dollars on wheels a good gamble? The potential cost of one "weak link" among the 480 wheels of a 60-car freight train can be a staggering figure. A small premium paid for putting your freight cars on rolled steel wheels assures the utmost in safety.

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Piggyback for Private Autos?

To the Question and Answer Editor:

Undoubtedly the economics of the proposed piggyback-for-private-auto service would be a very prominent factor for both the customer and the railroad.

In Europe, where auto piggyback service has been in operation for the past five years (RA, Sept. 4, p. 17) the automobiles are smaller and easier to accommodate in railroad cars, operating costs are lower, and a good percentage of those using the service are generous-spending tourists who are trying to see as much as possible in a short time. They are willing to pay a relatively high fare to cover separate rail cars for themselves and for their vehicles. In America, operating costs are higher and the automobiles are so commodious that they offer their occupants approximately the same comfort that is found in a railroad coach, minus air conditioning and toilet facilities. Combining the automobile and a two-level flat car equipped with toilet facilities should result in an economical, acceptable means of travel.

From the customer viewpoint, full advantage of the possible economies can be had only if the trip is made at night. A night journey means that the motorist saves not only on gasoline and other car expenses, but also on the cost of a night's lodging. On a long motor trip the motel, minus food, is a costlier item than gasoline. If the service were offered as daytime transportation only, it is doubtful whether many would use it.

On a night trip of about 400 miles the motorist would save on fuel, lodging, and on smaller amounts for oil, bridge and some road tolls, washing, tire and car wear. With his car in service he would be getting full value from his auto insurance. The motorist would avoid 400 miles' driving fatigue and hazard, a factor that is becoming increasingly serious, especially in the eastern half of the country. He would gain one day of travel time on every night trip by rail. On a two-weeks' tour he could save several days, depending on the availability of the service. He would always have his own car to use at destination. . . .

A medium size American passenger automobile, including the "compacts," offers horizontal and acceptable sleeping surfaces for the two persons who constitute the average touring party.

Presumably a realistic view of the piggyback-for-private-autos proposal would call first for one experimental car, at lowest cost. The present double-decked new-automobile car is an excellent basic vehicle for such experiment. The desirability of trains of such cars would depend upon the demand for the service as revealed by the experiment. If, eventually, the need of trains were indicated, articulated cars might prove more economical. . . .

With union cooperation, a piggyback auto service could prove economically feasible, and help railroads diversify.—
Hugh G. Dugan, Hinsdale, Ill.

To the Question and Answer Editor:

When you give carte blanche "what do you think" (RA, Oct. 9, p. 16) re Piggyback for Private Autos, you might know some fool woman would read it and not be able to resist replying.

The only thing wrong with Mr. Edson's proposal is "none of this can happen overnight." Why can't the finance committee form to the right and let's get started?

I was told the first piggyback operation was during the time of Queen Victoria of England when they loaded her carriages on flat cars and transported them to her various "hunting Lodges." I wouldn't know, but I think they are still using some of those flat cars through the Swiss Alps. The equipment used for transporting one through

A forum for railroaders who want to explore questions of importance to their industry, this department welcomes both questions and answers from readers at all levels of responsibility in the industry and associated fields. We'll pay \$10 to any reader submitting a question that forms the basis for a column discussion. Address correspondence to Question and Answer Editor, Railway Age, 30 Church St., New York 7, N. Y.

the St. Gotthard tunnel is in rather sorry condition but does the job. I could not help but think how such equipment would be greeted at home.

I, too, noted the rather general use of piggyback operation for private cars throughout Europe and wondered why we could not tap the field at home. I knew, however, Americans would not accept the same service at home. Therefore, Mr. Edson's Autotrain seems such a splendid answer.

Rome wasn't built in a day either—but it got built and is such a lovely sight. I've no doubt we shall see the Autotrain some day and it, like its "country cousin," will be a lovely sight.
—*Lavona B. Johnson, secretary, office superintendent terminal, Chicago, Rock Island & Pacific.*

Limit Train Time At Stations?

To the Question and Answer Editor:

In your Nov. 6 issue, C. L. Marsh, NYC trainmaster, writes with approval concerning the PRR's practice of limiting station working times for its solid mail-express trains between New York and Washington (RA, Aug. 21, p. 12).

That, as Mr. Marsh says, may be a "new" idea in this country, but it seems to be fairly common practice in Europe. In The Netherlands, for example, I have seen mail-carrying passenger trains whistled out of stations on schedule, even when it meant leaving truckloads of unloaded mail standing on the platform. That could well be one reason why European railroads in general—and Dutch railways in particular—have such enviable on-time performance. Its worth noting, too, that Eu-

ropean mail service is at least as good as, and generally better than, its counterpart here.

Admittedly, of course, European train service is more frequent than on many U.S. lines. It's easier to hold mail when there'll be another train along in an hour or less than when the interval may be 12 or even 24 hours. But we still have a lot of heavy-traffic lines (e.g., New York-Boston, New York-Washington) where schedule maintenance would seem to outweigh in importance those last few sacks of mail—especially if they are carrying some of the "junk" stuff which the Post Office insists on foisting on a long-suffering public.—*These comments were provided by a Railway Age reader who has observed European railways extensively.*

Milwaukee Deepens Tunnels for



ONE METHOD FOR LOWERING TRACKS in Milwaukee tunnels employed a Matisa undercutter and a work train of six air-dump cars. The Matisa unit excavated and loaded the material onto belt conveyors mounted on top of the

cars. These carried the material either out of the tunnel to a chute and disposal conveyor for wasting it along the embankments, or to sweeps over the conveyor belts which diverted the material into the bodies of dump cars.

► **The Story at a Glance:** An extensive tunnel-enlarging project permits the Milwaukee Road to handle out-sized loads over its transcontinental lines to the Pacific Northwest. Floors were lowered in 31 of the road's 46 tunnels through five ranges of mountains. Two work techniques were devised so the project could be completed without interference to traffic. The project itself was a brainchild of the Milwaukee's traffic officers. Altogether, 7.54 miles of line were lowered by amounts ranging from 6 to 24 in.

Recently the Milwaukee Road began accepting a great variety of out-sized loads, including 1962 automobiles on tri-level auto racks, destined for the Pacific Northwest. The reason? It had just completed lowering the floors in 31 of its 46 tunnels along 706 miles of railroad in Montana, Idaho and Washington.

The tunnels are on the Milwaukee's line between Ringling, Mont., and Whit-tier, Wash., in the Belt, Rocky, Bitter-root, Saddle and Cascade Mountain ranges.

The tunnel-enlarging project originated with the road's traffic officers. Eyeing the increased amount of triple-deck auto-racks, piggyback and other new traffic moving over railroads to-

day, they conducted a study of the volume and character of the traffic. Transportation of large industrial lad-ings—such as transformers, turbines, boilers, generators and other "shapes" of excessive dimensions—as well as the larger prefabricated houses, was also studied. As a result of the study, the railroad decided it was justified in un-der-taking a project to increase overhead clearances in restrictive tunnels. The project would permit high loads to be carried over the Milwaukee's trans-continental main line to the Pacific Northwest.

Techniques were devised that en-abled the work to be done under traffic. Last year, the road lowered the floor of the tunnel at Tunnel City, Wis., on its Lines East. A network of lines per-mitted routing of traffic around that tunnel, hence the floor-lowering could be carried out without train interrup-tions. The situation was different on the Milwaukee Lines West single-track line, however, because traffic could not be diverted except over another railroad. Different procedures had to be worked out.

One of the two techniques used for the tunnel excavation work involved undercutting tracks without removing them. Excavated material was handled by a system of conveyor belts mounted

on air-dump cars especially adapted to this purpose.

The second technique demanded even closer coordination with train operations. It called for removal of short sections of track, followed by quick breaking up of the rock floor by blasting and ripping operations. Loos-ened material was then pushed out of the tunnel by bulldozers, after which the track was hurriedly replaced in time for the next train to pass.

Work was begun on the first of the tunnels—near Deer Park, Mont., in the Belt mountains—last May. After this operation was well under way, work went on simultaneously at various points. Altogether, 7.54 miles of rail-road line were lowered. The minimum amount by which track was lowered was 6 in.; the maximum, 24 in. Of the total length of railroad involved, 4.55 miles are inside the 31 tunnels. The re-maining 2.99 miles are tunnel ap-proaches.

The track-undercutting procedure utilized a ballast cleaner and under-cutter leased from the Matisa Equip-ment Corporation. The machine has a digging chain which is passed beneath the track for loosening and removing ballast. It excavates, in one pass, a maximum of 12 in. of material under the ties. The material was cast onto a

Large Loads

conveyor which spills it to the rear.

Excavated material was deposited on a 40-ft-long transfer conveyor mounted on a flat car. The conveyor, in turn, deposited the material onto a series of six belt conveyors mounted on top of six standard side-dump, air-dump cars.

Each car-mounted conveyor had three sweeps which could be individually controlled. When any sweep was lowered, material on the belt was swept off at that point into the body of the car. When all sweeps were raised, the material flowed along the six conveyors onto a special diversion chute at the end of the string. This chute directed the material onto the embankment.

With this arrangement, the excavating machine was able to move a considerable distance into the tunnel and deposit the excavated material on the embankment without first loading into the cars.

When work had progressed into the tunnel to where waste material could not be diverted directly onto the embankment, the belt sweeps were used to deposit it into the air-dump cars. When all cars had been loaded, they were hauled out and dumped in the usual manner. The conveyors on the dump cars were mounted rigidly on the car bodies so that they tipped as the cars were dumped.

When the undercutter was being used, the track was not disturbed but was lowered onto a smooth roadbed behind the machine. When necessary to permit passage of a train, the chain was disconnected and left in place while the machine was moved out of the tunnel and placed on a set-off. At points where excavation was stopped, a short run-off was hurriedly made to carry a train from the higher to the undercut levels.

Tie renewals and drainage installations were handled as separate operations. This work was followed by spreading new quartzite rock ballast on the track, which was given an initial raise

(Continued on page 17)

WHILE TUNNEL WORK was being carried out, trackmen rebuilt the track panels with new ties and spikes. Mechanized equipment (not shown in this view) was used as much as possible to hasten the work. Dust and machine fumes being expelled at tunnel portal were driven out by snow-blower machines having large fans.



ANOTHER METHOD FOR LOWERING TUNNEL FLOORS involved removal of track in panels from tunnel and approaches. This permitted the rock floor to be blasted or gouged out by tractor-mounted rippers.



AFTER BLASTING AND RIPPING operations, several bulldozers backed into the tunnel from both ends for pushing excavated material outward. Each bulldozer pushed the material a short distance only, after which it was moved on by the next machine. Outside the portals, the material was wasted over the embankments.





F. W. OKIE
PRESIDENT



"There is no better way to start the week than to read RAILWAY AGE, and keep abreast of the news and the new ideas in our rapidly-changing industry. Honest appraisal of railroad news is a great help to the railroad supervisor."

A handwritten signature in dark ink, which appears to read "F. W. Okie". The signature is written in a cursive, flowing style.

of 2 to 3 in. Final surfacing was done several weeks later.

The bulldozer technique involved removing track from the working area to permit free movement of equipment within the tunnel. The track was prepared in advance by shifting one running rail to place its joints opposite those of the other running rail.

As soon as traffic permitted, joint bars were removed. Rail-mounted self-propelled cranes were used to pick up the 39-ft track panels and carry them out of the tunnel where they were stacked. Up to 15 panels of track were taken up in one day's operations. Two cranes were used. Each removed half the track panels, one working east and the other west.

When there was sufficient room to operate, several bulldozers backed into the tunnel and started pushing ballast material toward the portal. Each bulldozer pushed the material a short distance, then another picked it up and pushed it outward, and so on, until it was outside the tunnel, where it was wasted over the sides of the embankment.

When rock was encountered during excavation work, a large tractor-mounted hydraulic ripper was used to loosen it. If the rock was so large or hard that it could not be handled by the ripper, it was drilled and shattered by blasting.

While excavation work proceeded, track crews rebuilt the removed track panels. Track machines were used to strip rails and tie plates from the old ties. New crossties and spikes were used to construct new panels.

When excavation had been completed, track was restored in the tunnel and on the approaches. Close contact was kept with the division dispatcher by train-to-station radio so tunnel crews could replace the track in time for passage of trains. A spread of new ballast was made and the track was given an initial raise of 2 to 3 in. Drains, where needed, were installed as a separate operation, using 8-, 10- and 12-in. pipe. Final surfacing to the desired grade was made a few weeks later.

Whenever men and machines work within a tunnel, proper ventilation becomes a problem. To expel dust and noxious fumes, the Milwaukee used its large snow blowers which were developed by railroad personnel. These are push-car-mounted machines, each having a large fan which drives air at 100 mph. The fans maintained a satisfactory supply of fresh air. The tunnels were illuminated by stringing multi-lamp wires, powered by portable generators.

Because the tunnels were in the railroad's electrified territory, the trolley was de-energized each day before the track panels were removed or the cranes started work. After track work had been completed for the day, crews checked out the trolley and signal system to be sure they were in good working order.

With the undercutter method of excavation, all equipment was driven by electric motors. The Matisa unit received its electric power from two diesel-driven generators mounted on a small track car pushed by the undercutter unit.

Electric power for lighting and for driving the belt conveyors was supplied by diesel-driven generators mounted on

a flat car in the rear of the air-dump cars. The flat car also had an air compressor and reservoir to assist in rapid tilting of the air-dump bodies. This outfit also was equipped with pneumatic tools for removing rock or other obstructions.

The electric locomotive which handled the air-dump cars also transported camp and equipment cars from one tunnel to the next. A work train with a diesel locomotive was assigned to the crew engaged in bulldozing operations. It handled the track cranes and cars used to move the heavy off-track equipment from tunnel to tunnel, as well as such things as cars of ties, ballast, fuel and oil.

B&O Clearance Job Under Way

The Baltimore & Ohio plans to complete by Dec. 16 the first phase of an extensive program to widen and heighten tunnels and bridges, according to B&O President Jervis Langdon, Jr. The railroad's goal is to remove tunnel and bridge obstructions which have hampered movement of piggyback traffic.

The clearance improvement program will include removal of obstructions on lines of the Reading and the Central of New Jersey which are used by the B&O for freight movements to and from the New York metropolitan area. Reading and JCL engineers are cooperating on portions of the work involving their lines.

According to Mr. Langdon, the way will be cleared for moving 12½-ft-high piggyback trailers over the Chicago-Jersey City route by the Dec. 16 date. This will permit handling TOFCEE vans and other types of highway truck trailers which previously could not be moved because of low clearance.

By the end of the year, when additional clearance work has been completed, larger (13½-ft) piggyback vans will be able to travel over B&O lines between Washington, D.C., and Philadelphia. The engineering schedule also calls for elimination of obstructions between Philadelphia and Jersey City by late 1962 for the 13½-ft vans.

Work scheduled for 1962, B&O reports, will open the entire main line of the B&O system (with the exception of the Parkersburg, W. Va., subdivision) to the 13½-ft units.

B&O points out that the Parkersburg subdivision, spanning 100 miles of roadway between Parkersburg and Grafton, W. Va., offers special clearance problems. Work on these will be-

gin next year, the railroad said.

The principal clearance program already under way involves removal of 60 tunnel and bridge obstructions, including 30 between St. Louis and Philadelphia (except on the Parkersburg subdivision); 11 between Chicago and Cumberland, Md.; 15 on Reading lines between Park Junction, Pa., and Bound Brook, N.J., and four on the JCL between Bound Brook and Jersey City.

B&O reports that clearance crews are accomplishing the job in record time by lowering roadbeds and realigning track beneath tunnels and bridges. This has eliminated the necessity of raising tunnel and bridge heights, a more costly and time-consuming method.

In the Baltimore terminal area, track has been lowered beneath eight tunnel and bridge restrictions on the Baltimore Belt Line between Camden Station and Bay View Yard. Double tracks have been reduced to single lines through tunnels and bridges on this route.

On other parts of the system, clearance obstructions have been removed from Richland and King's Tunnels on the Ohio-Newark Division, and from two bridges on the Cumberland Division. Track has been lowered beneath a bridge at Hamilton, Ohio, to permit operation of 13½-ft highway trailers between that point and Indianapolis. At North Vernon, Ind., a similar project has been completed for accommodating 18½-ft multi-level rack cars between an automobile assembly plant at Cincinnati and East St. Louis.

On the Jersey Central, the Broad Street bridge and track at Elizabeth, N. J., had to be lowered to increase clearance beneath a PRR bridge.

Wabash Spot-Shop Handles 205 Diesels

Maintenance and inspection of Wabash road locomotives have been concentrated at the road's principal shop in Decatur, Ill. Locomotive maintenance has been centralized in conjunction with establishment of a "progressive" or "spot" repair line.

The Wabash has now assigned 205 road and switching locomotives to Decatur for maintenance. These include, in addition to the switching locomotives used at Decatur yard, practically all Wabash road units except those used on the road's Canadian line which extends between Detroit and Buffalo.

The "progressive" maintenance scheme, winning acceptance with many railroads, puts routine maintenance and inspection on an assembly-line basis. Units are processed through a series of stations at each of which specific maintenance jobs are performed. This makes it possible to place at each station the materials and tools required for the operations performed there. The results:

reduction in non-productive time, greater uniformity of work, and faster routine maintenance for the locomotives involved.

The present maintenance load at Decatur was reached in stages following the opening of the facility on March 15. From the beginning, there was no attempt to tailor the line for the motive power of a single builder. When the five-station facility went into operation, the 123 locomotives then assigned included Alco, Fairbanks-Morse, and General Motors units. At that time there were 19 Alco road freight and passenger units, eight F-M road switchers, nine GM passenger units, 14 GM road-switchers, 59 GM road-freight units, and 14 switchers of various types. Most of these units had previously been based at Decatur for maintenance.

An additional eight road passenger units were put on progressive maintenance in May. In July, 34 road units were assigned to Decatur from Mont-

pelier, Ohio, and 40 more road units from Moberly, Mo. This brought the total to the present 205.

Decatur is the hub of the Wabash system. From there, lines radiate westward to Des Moines, Omaha, Kansas City, and St. Louis, and eastward to Chicago, Toledo, and Detroit. Because of its key position in freight operations, road locomotives can be worked to and from Decatur shop without difficulty. It is also possible to get passenger locomotives to this shop readily.

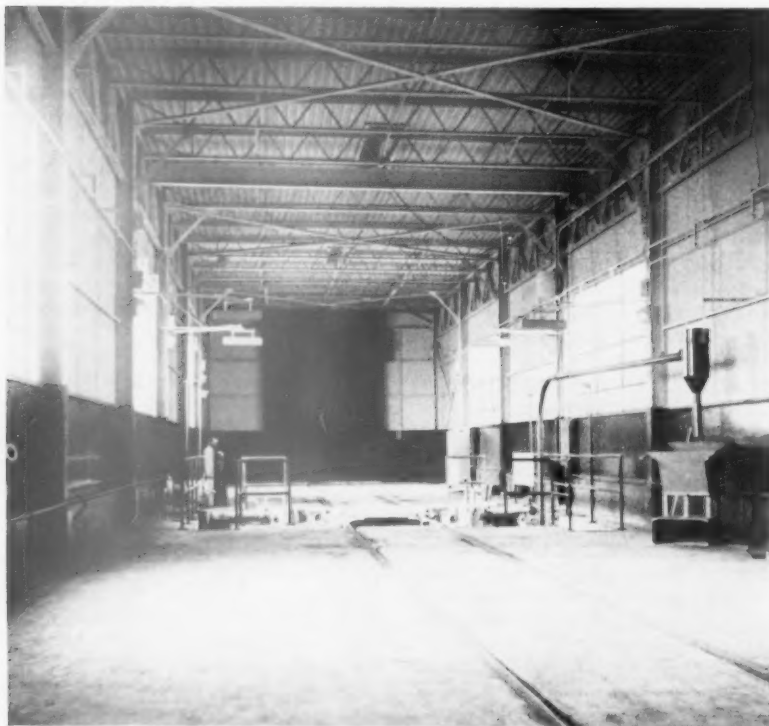
A master maintenance schedule has been established for all locomotives in the program. This is based on the date when each unit is due for its monthly ICC inspection. It then comes into the shop and goes through the progressive line where the ICC work is completed, along with scheduled preventive maintenance. In addition to the ICC monthlies, the more involved quarterly, semi-annual, and annual ICC inspections are made while the units are passing through the line.

Fifteen days after any unit has been through Decatur shop for the above work, it returns for an intermediate servicing when filters are changed, lubricant levels are checked, and brake shoes and traction-motor brushes are replaced, if necessary.

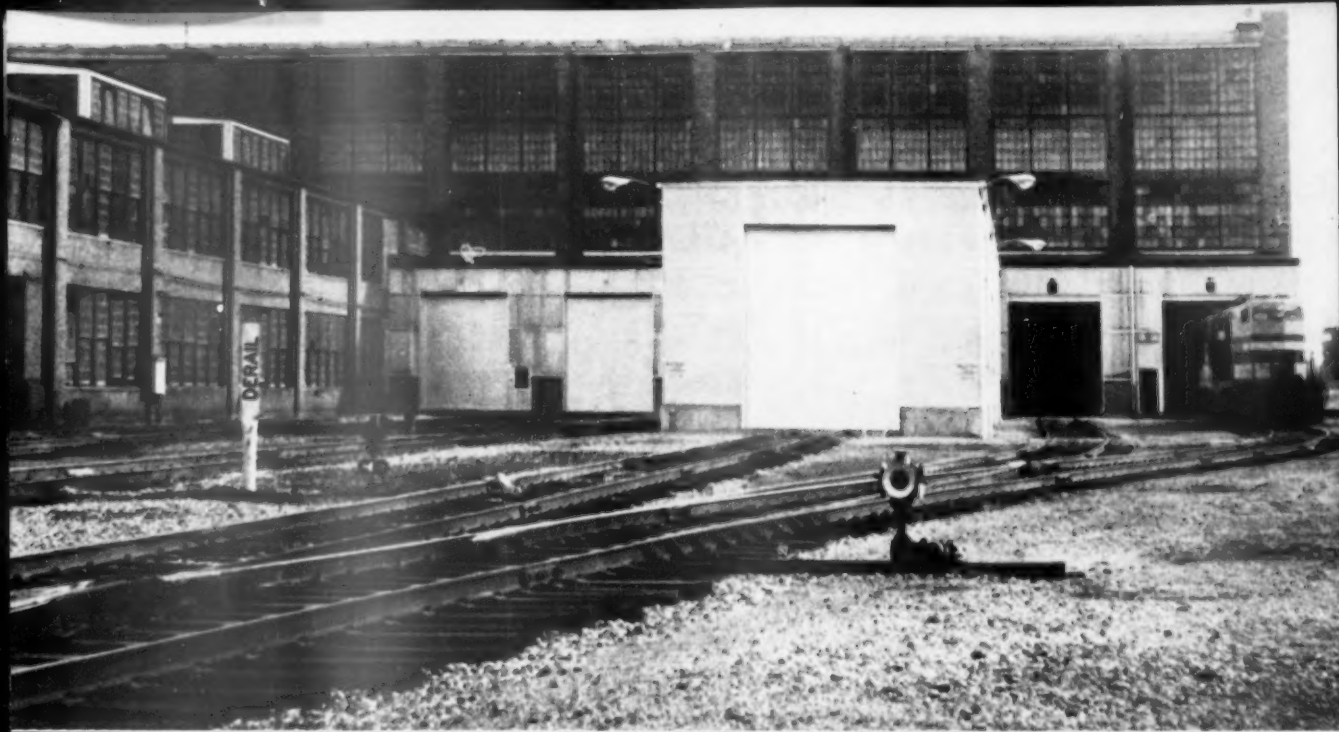
There are five tracks in the shop at one end of the locomotive back shop at Decatur. Track 1, extending through the shop, is used for the so-called "15-day lubrication" work. Tracks 2 and 3 are stub tracks on which special repairs are made. Tracks 4 and 5 are through tracks, with Track 4 being the progressive line with five work stations. Track 5 is used for heavy repairs and unscheduled maintenance.

Track 4 has five stations. On each a predetermined amount of work is done in one hour before the unit is advanced to the next station. Station 1 is outside the east end of the shop. Stations 2, 3, and 4 are inside the shop building. All mechanical inspection and testing is done at Station 2 and electrical work is completed at Station 3. At Station 4, the engineroom and cab are cleaned. Final inspection is done at Station 5 outside the west end of the shop. Here the engines are started and the brakes are checked. Any unscheduled maintenance goes to Station 6 on Tracks 2 or 5.

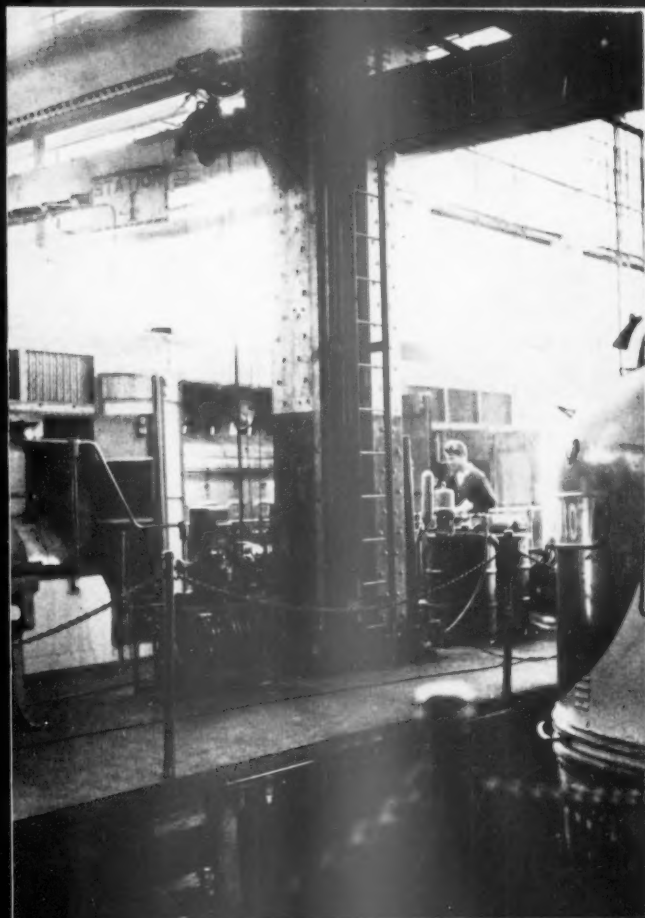
Each morning seven units enter the progressive line and seven more go into Track 1 for "15-day lubrication." Even when units on the progressive line are found to require repairs not normally performed during the regular cycle, they do not interfere with the line's operation. The unit continues through the regular stations and is then set out on either Track 2 or Track 5 for the extra work.

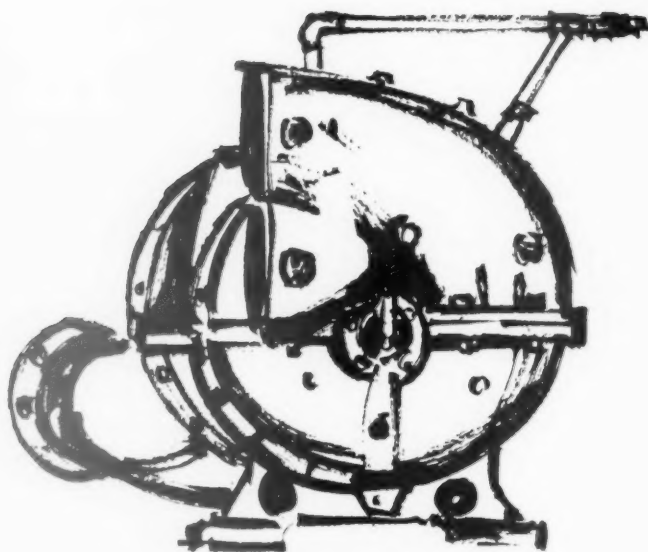


WHEEL WORK on Wabash locomotives is now handled on this Standard wheel-truing machine installed in special building on Track 3 near the main shop.



Shop at Decatur now serves as major maintenance point on Wabash. Road units come from all parts of road for preventive maintenance and ICC inspections. Existing facilities have been rebuilt for new "progressive line" operation.



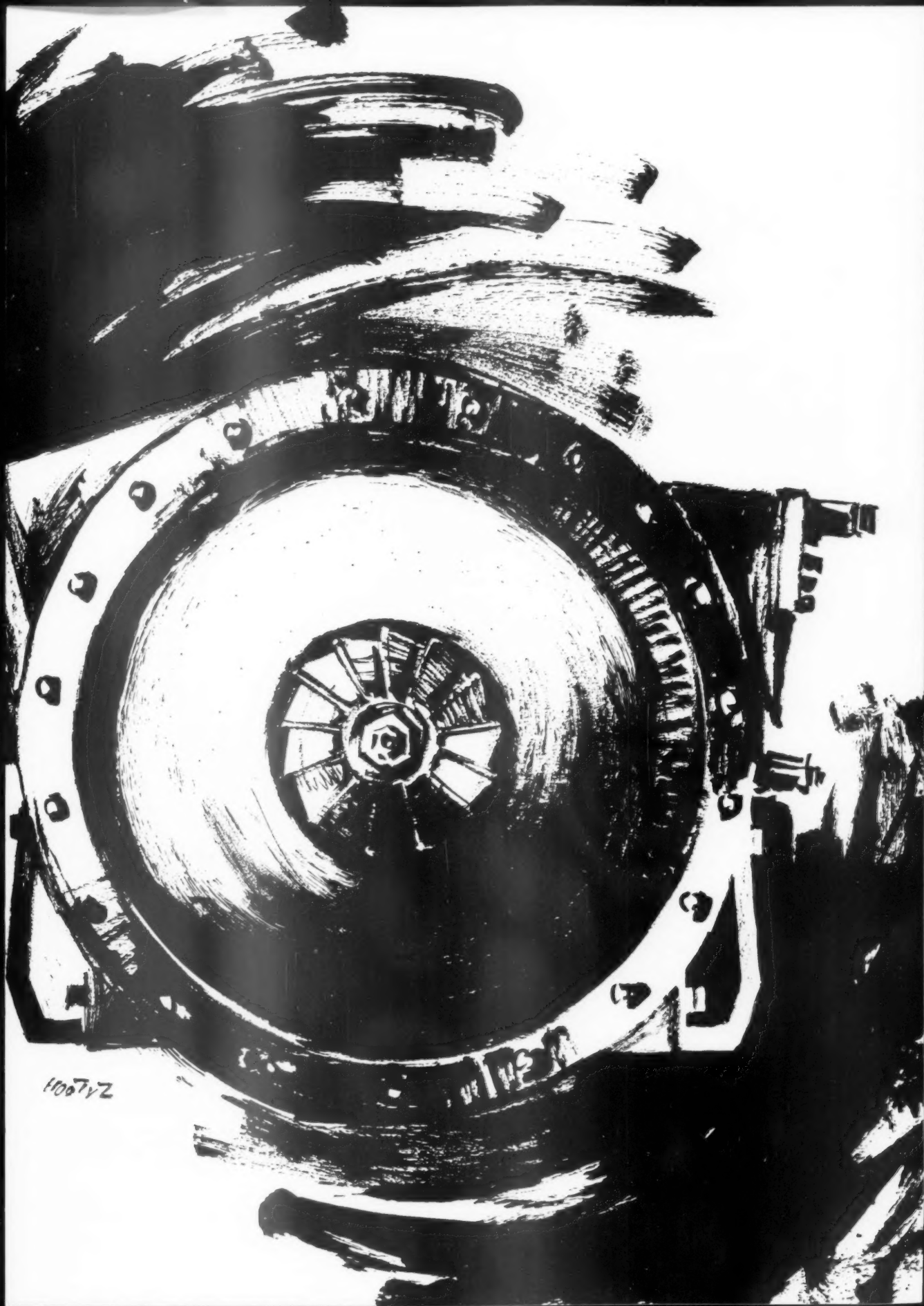


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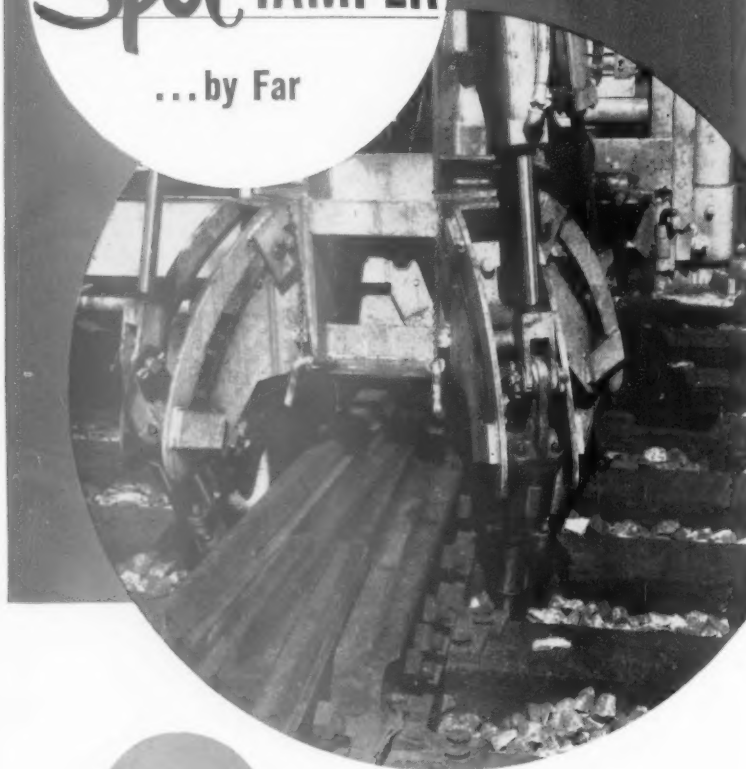
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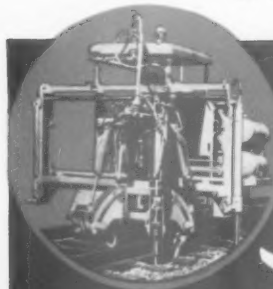


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Rail Rapid Transit Gets Test in Baltimore

Rail rapid transit is returning to Baltimore. The Baltimore & Annapolis Railroad Co. was scheduled to begin three weeks of test service from Harundale Mall into the city's Camden Station on Nov. 20.

The Baltimore & Annapolis will use a Budd RDC to make the 9½-mile, 20-minute run every hour at twenty minutes past. Approximately seven miles of the distance will be over its tracks, the rest of the way over B&O trackage. A free transfer will be provided to a shuttle bus running straight north through the city.

One stop will be made en route at Glen Burnie.

A fare of 60¢ will be asked for the service. This compares with 45¢ on the bus from the same location, but the rail run will cut 20 to 25 minutes from the bus commuting time during rush hours. Furthermore, the railroad plans to provide a hostess to serve commuters a choice of coffee or juice.

Baltimore & Annapolis President James M. Easter II feels there is a good chance that the test will be successful. He points out that his road carried 1,200,000 passengers into Baltimore from this same general area during its last year of operation (1949) and the population has doubled since then.

Mr. Easter points out that the 90-passenger Budd car is being made available by the manufacturer for the three-week test without charge. He expects to have another car ready to replace it as soon as the original RDC is recalled.

"In fact," he adds, "I hope the passenger demand forces us to put two cars on the run so we can have cars leaving Harundale every 30 minutes instead of every hour."

In anticipation of heavy passenger demand, Baltimore & Annapolis express buses will stand by during the test period in case the rail car's capacity is not adequate. Mr. Easter says he can meet costs with 760 passengers a day.

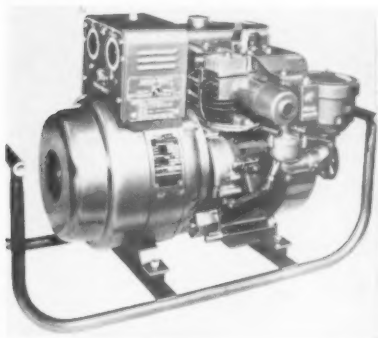
To prepare for the service, the railroad had the assistance of B&O engineers who studied the tracks to determine necessary maintenance to assure safety. Test runs and crew checkouts were slated for Nov. 17, 18 and 19.

Dividends Declared

PITTSBURGH, FORT WAYNE & CHICAGO.—common, \$1.75, quarterly; 7% preferred, \$1.75, quarterly, both payable Jan. 2, 1962, to holders of record Dec. 8, 1961.

ROCHESTER & GENESEE VALLEY.—\$2, semi-annual, payable Jan. 2, 1962, to holders of record Dec. 20, 1961.

NEW PRODUCTS REPORT



Engine Generator (RA-1)

An automatic idling control that can save up to 60% in fuel cost is a feature of the Winco Super Lite engine generators in the 3,000-watt size. The unit can carry motor loads up to 1.5 or 2 hp and provides 3,000 watts intermittent duty. Power output is 115 or 230 volts AC. These engine generators are designed for manual, electric or remote starting. Temperature controls on the engine maintain full power speed until engine temperature permits smooth idling. *Wincharger Corp.*



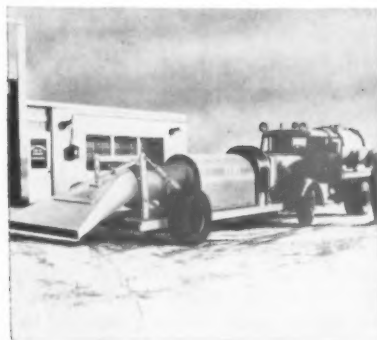
Copy Machine (RA-2)

A 12-lb, typewriter-size office copier will provide sharp black-on-white reproductions of originals up to 9 in. wide. This Transferson 9 Convenience Copier reproduces every color—whether pen, pencil, ballpoint, typed, printed or stamped from originals—on any kind of paper, film or cloth. Original and copy material are inserted and delivered at the front of the machine. Unit measures 17 in. wide by 6 3/4 in. deep and 10 in. high. *Ozalid Division, General Aniline & Film Corp.*



Transistor Tester (RA-3)

A new in-circuit tester checks small and medium power transistors. The new instrument will measure AC Beta, in or out of circuit, with an accuracy of 5% with impedances as low as 25 ohms. The fully-transistorized, battery-operated tester has three I_{cbo} ranges: 0-5 ua, 0-500 ua and 0-5 ma. I_b ranges are 0-1 ma, 0-10 ma and 0-100 ma. Collector voltage is variable to 4.5 volts in three steps and collector current is variable, 0-100 ma. *Hickock Electrical Instrument Co.*



Snow Blower (RA-4)

Fast and efficient removal of snow and ice from yards, switches and parking areas is claimed for the Page-Littleford "Ice Jet." The device was jointly developed by that company and the NYC's Jet Snow Blower which was placed in operation last year. The Ice-Jet consists of a turbo-jet engine mounted on a rubber-tired trailer and a nozzle for directing the blast of air. The trailer is pushed ahead of a truck and

is controlled hydraulically from the truck's cab. In addition to controls for steering the trailer, controls for operating the jet engine and moving the nozzle are located in the cab. The nozzle can be moved 15 deg either horizontally or vertically. The new snow blower

incorporates a featuring action which is designed to reduce snow banks at the edge of the area being cleared to a height of 18 in. The banks then are tapered upward for the next 15 ft until they reach a height of 30 in. *Page-Littleford Corporation.*

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COORDINATED TRANSPORTATION SYSTEMS are stressed in GE publicity directed at area planners and legislators.

Automated Transit Car Unveiled by GE

An automated transit car was demonstrated for transport industry leaders by General Electric at its Erie, Pa., plant on Friday, Nov. 17. Hailing such automated equipment as "one of the developments which will hasten the building of more efficient public transportation

systems," R. D. Weeks, manager of GE metropolitan transportation sales, predicted that within ten years "at least a dozen of our nation's largest metropolitan areas will use automated rapid transit as their high-volume trunkline carriers."

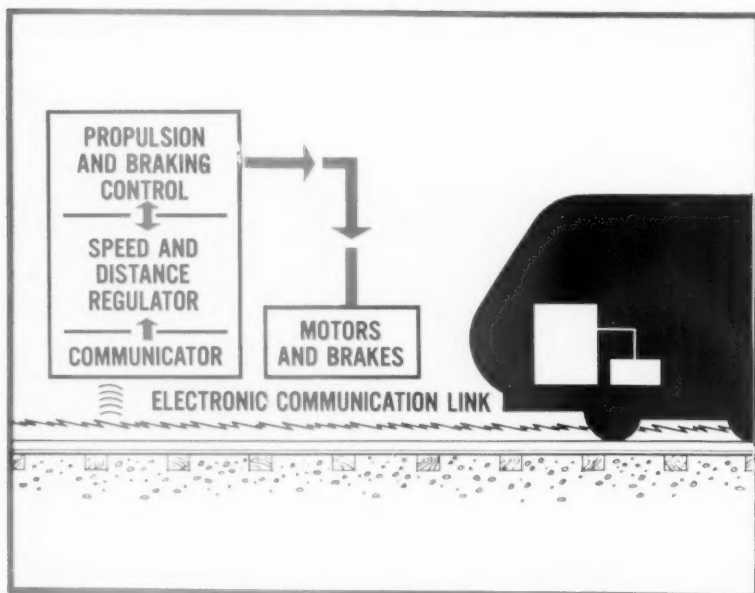
"Our studies have shown at least 36 metropolitan areas which now have populations of sufficient magnitude to warrant consideration of a balanced transportation system—a system using autos, buses and rapid transit, each to its best advantage," Mr. Weeks said.

Equipment for the demonstrator transit car, under development by GE for over two years, is based on a decentralized speed-distance regulator concept which was chosen from a number of possible alternatives after evaluation with analog computer simulation. A PCC-type transit car has been fitted with the complete automation package.

At the demonstration in Erie the car was operated over a test track, making simulated station stops, opening and closing its doors, and accelerating to programmed speeds between stations. "The speed-distance regulator permits the full capabilities of a car or train to be utilized, limited only by external conditions such as proximity to trains ahead, track speed restrictions, station stops, and dispatching requirements," GE reports. Such external operating information is transmitted continuously to the train.

The regulator analyzes this data and produces signals governing propulsion and braking equipment. "Fail safe" features are incorporated in the regulating equipment. This system can be incorporated in new transit cars, or used to automate present rapid transit systems, a GE spokesman said.

With its announcement, GE gave notice of its entry into a field where there is currently much interest. The New York Transit Authority has completed the installation of General Rail-



CONTROL SYSTEM receives operating information from wayside and regulates propulsion and braking to give "optimum" train performance.

way Signal and Union Switch and Signal wayside and car equipment which is to make possible the automated operation of one of the Times Square-Grand Central subway shuttle trains (RA, Oct. 2, p. 12).

Both transit operators and customers should benefit from automation developments, according to a GE spokesman. Beside making possible higher speeds and improved service, automated systems are expected to reduce maintenance and operating costs because of their more precise control of traction equipment.

Transit systems of the future will require equipment which will provide, at low operating costs, the speed, comfort and convenience necessary to attract riders. Mr. Weeks said. "The answer to efficient transportation and land use is not in banning or restricting automobile use in cities, but in providing public transportation so attractive and convenient that many people prefer it for much of their metropolitan travel."

In addition to its equipment developments for rapid transit, GE is also working to develop in public and legislative groups an appreciation of the role for rapid transit in the nation's metropolitan areas. Mr. Weeks predicted that Los Angeles would be building a rapid transit system by 1963, that the South Jersey-to-Philadelphia system would be under construction in 1964, and that the building of the San Francisco Bay Area transit lines would also start in 1964.

"These plans indicate a growing recognition that a balanced transportation system including rail rapid transit is the only solution to moving people efficiently and conveniently in our largest cities," he said. General Electric sponsors a "Metropolitan Transportation Development Program" which has as its three basic objectives:

- Encouragement of coordinated transportation planning as a part of overall metropolitan area planning;
- Development of an appreciation that public transportation requires public support;
- Support of legislation designed to provide sound metropolitan transportation.

"A stimulus to metropolitan areas to plan and build coordinated metropolitan transportation systems has been provided recently by the Federal Government's 1961 Omnibus Housing Bill," Mr. Weeks pointed out. "This bill provides up to \$40 million in long-term loans for mass transit system capital improvements and up to \$25 million in grants for demonstration projects such as evaluating the effects of park-and-ride and of lower fares."

Roddewig Says ICC Bows to 'Pressure'

"If the railroad industry is forced to the wall, the responsibility can be laid on the doorstep of the Interstate Commerce Commission," says Association of Western Railways President Clair M. Roddewig.

Speaking before a group of railroad attorneys at Topeka, Kan., on Nov. 10, Mr. Roddewig said 1958 changes in the Interstate Commerce Act made it seem that the country was entering an era of genuine fair competition within the transportation industry.

But, he added, the railroads' competitors were determined to stamp out the resurgence of rail competition; they "didn't want the railroads to be given a fair chance to grow with the expanding economy of the nation. And it was crystal clear from the outset that the railroads' competitors did not intend to rely upon usual marketing methods—better service and better prices—to compete for business."

"Instead, the motor carriers, water carriers, and the Teamsters Union set out to try to pressure Congress and the ICC into crippling the railroads' ability to offer competitive prices. [They] declared war against the will of Congress as expressed in the Transportation Act of 1958."

Mr. Roddewig said the International Brotherhood of Teamsters used every available method to kill off competitive rail rates and piggybacking: "Scores of press releases; numerous union rallies in cities across the country, with Mr. [James R.] Hoffa addressing the rallies by means of a nationwide telephone hookup; intense lobbying in Washington; and finally, a continuous flood of letters and telegrams to Congress from truck drivers, members of their families, and all the friends they could influence. To focus additional attention, the Teamsters even had a man walk all the way from Kansas City to Washington, D.C."

"Soon after the anti-railroad campaign of the Teamsters and the motor carriers started," said Mr. Roddewig, "they had legislation introduced in the U.S. Senate (S. 1197) which was a cleverly-designed attempt to prevent the railroads from asserting fully their inherent economic capabilities and advantages. Enactment of this legislation would constitute a complete reversal of the competitive rate policy laid down by the Congress just three years ago in the Transportation Act of 1958."

Mr. Roddewig said efforts of the motor carriers and the Teamsters would have succeeded if it had not been for "tremendous" opposition by the railroads and their employees.

"S. 1197 was deferred; that is, it was held over by the Senate Commerce Committee until the next session of Congress. Which, I might add, means that the fight is not over yet."

"But," Mr. Roddewig emphasized, "the impact of this fight has had its effect on Commission decisions, as shown by the record. The ICC apparently has knuckled under to pressure from the motor carrier interests, the water carrier interests, and the Teamsters Union."

Meanwhile, in a later speech in Walla Walla, Wash., on Nov. 13, Mr. Roddewig struck again at the regulatory handicaps which railroads must deal with.

He told members of the Washington Association of Wheat Growers how five railroads, in the summer of 1960, proposed reduced rates on grain moving from the Pacific Northwest to coast markets in Oregon and Washington. Barge lines in the area protested the rates and at subsequent ICC hearings contended the "sole purpose of the railroads is to drive them out of business, and that after having accomplished that, the railroads will boost their rates to recoup the losses [from the reduced rates]."

Such a contention is obviously phony, Mr. Roddewig declared. In this case, he said, the Commission allowed the reductions to become effective. The reduced rates were obviously compensatory or the Commission would have suspended them at the outset, he said.

The AWR president cited this case as one example of the difficulty railroads have in competing with other modes of transport for the traffic volume they need to survive. He said it "just doesn't make sense" that railroads would engage in maneuvers to drive barge lines off the rivers by devious means when such action would jeopardize their relations with shippers, the public, regulatory commissions, legislators and members of Congress.

Mr. Roddewig said that what railroad competitors really want is protection from competition. "They want their profits and prospects for future profits guaranteed both by the ICC and a new Act of Congress."



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Letters From Readers

RR Salesmen Defended

Los Angeles, Calif.

To the Editor:

I get a little fed up at times with complaints made as to the quality of railroad salesmanship. As a supervisor of freight salesmen, I would stack my men against any salesman in any line for overall sales ability. I have actually seen comments adverse to railroad salesmen made by people in Railway Age polls who I know for a fact could not themselves qualify for a railroad sales job. A lawyer can't remember all the laws and no one complains about that, but just because a railroad salesman can't memorize all the rate quotations he is sometimes assailed as on the stupid side. It just isn't true. I would like to see some articles by railroad men who are doing the selling. The old cigar-rolling, one-foot-on-the-bar railroad salesmen actually disappeared about the time of button shoes.

G. B. Grimes

Current Publications

GENERAL

ECONOMIC STABILITY THROUGH PURPOSEFUL GROWTH. 24 pages, illustrations, drawings. American Steel Foundries, Prudential Plaza, Chicago 1. Free.

BULLETIN NO. 105. 92 pages, illustrations, maps, drawings. The Railway & Locomotive Historical Society, Inc., Baker Library, Harvard Business School, Boston, Mass. \$2 to members; \$3 to non-members.

TRANSPORTATION EDUCATION IN AMERICAN COLLEGES AND UNIVERSITIES. A descriptive listing of programs of study in transportation offered in American institutions of higher learning. Dept. RA, Publications Division of the Transportation Center at Northwestern University, Evanston, Ill. \$3.50 per copy.

PAMPHLETS

GERMANY FOR REST AND TRAVEL and A CITY ON WHEELS. Both illustrated. The former contains a treasure of interesting tours, gives prices and general information on rail travel in West Germany. The latter is an amusing commentary on the best that rail travel in Germany has to offer. Dept. RA, German Federal Railroad, 11 West 42nd Street, New York 36. Free.

BROCHURES

OPEN LINE LEASE PLAN. Outlines extra-long term lease plan. Contains charts showing leasing terms from three to twelve years for companies with a net worth of \$500,000 or more. Dept. RA, Nationwide Leasing Co., 11 South LaSalle Street, Chicago 3.

REPRINTS

THE ILLEGAL FOR-HIRE TRUCKING PROBLEM. Dept. RA, Transportation Association of America, 1710 H Street, N. W., Washington 6, D. C. Single copies are free; additional copies at 5¢ each.

(Dollar figures are stated in thousands, i.e., with last three digits omitted.)
MONTH OF SEPTEMBER AND NINE MONTHS OF CALENDAR YEAR 1961

Name of Road	Average miles operated during month	Operating Revenues		Operating Expenses		Operating Income		Net		Net	
		Total	Per mile	Total	Per mile	Total	Per mile	Total	Per mile	Total	Per mile
		1961	1960	1961	1960	1961	1960	1961	1960	1961	1960
Akron, Canton & Youngstown	Sept. 171	463	475	501	8	74	71	16	43	387	369
Albany, Tennessee & Northern	9 mos. 171	4,099	4,102	4,378	53	676	696	144	398	3,339	3,401
Alabama	Sept. 214	1,573	2,005	2,660	440	63	112	51	41	1,540	1,445
Albion, Topeka & Santa Fe	Sept. 12,996	37,384	3,107	46,576	6,528	7,939	10,012	10,181	2,994	17,624	38,080
Atlanta & St. Andrews Bay	Sept. 13,001	37,384	3,107	46,576	6,528	7,939	10,012	10,181	2,994	17,624	38,080
Atlanta & West Point	Sept. 81	302	310	281	28	32	28	30	8	73	159
Atlantic Coast Line	Sept. 81	2,638	2,714	2,702	258	295	31	241	62	1,448	1,496
Baltimore & Ohio	Sept. 93	241	18	203	3	309	33	76	436	2,276	2,276
Staten Island Rapid Transit	Sept. 133	1,444	2,317	2,287	45	36	56	20	125	2,278	2,278
Bangor & Aroostook	Sept. 133	2,390	16	2,881	2,550	385	405	106	506	1,881	1,881
Bessemer & Lake Erie	Sept. 5,579	10,528	853	11,238	1,210	1,206	166	2,302	2,224	9,886	9,886
Boston & Maine	Sept. 5,579	10,528	853	11,238	1,210	1,206	166	2,302	2,224	9,886	9,886
Central RR Co. of New Jersey	Sept. 5,579	10,528	853	11,238	1,210	1,206	166	2,302	2,224	9,886	9,886
Central Vermont	Sept. 5,579	10,528	853	11,238	1,210	1,206	166	2,302	2,224	9,886	9,886
Chesapeake & Ohio	Sept. 5,579	10,528	853	11,238	1,210	1,206	166	2,302	2,224	9,886	9,886
Chicago & Eastern Illinois	Sept. 5,579	10,528	853	11,238	1,210	1,206	166	2,302	2,224	9,886	9,886
Chicago & Illinois Midland	Sept. 5,579	10,528	853	11,238	1,210	1,206	166	2,302	2,224	9,886	9,886
Chicago & North Western	Sept. 5,579	10,528	853	11,238	1,210	1,206	166	2,302	2,224	9,886	9,886
Chicago, Burlington & Quincy	Sept. 5,579	10,528	853	11,238	1,210	1,206	166	2,302	2,224	9,886	9,886
Chicago Great Western	Sept. 5,579	10,528	853	11,238	1,210	1,206	166	2,302	2,224	9,886	9,886
Chic., Milw., St. Paul & Pac.	Sept. 5,579	10,528	853	11,238	1,210	1,206	166	2,302	2,224	9,886	9,886
Chicago, Rock Island & Pacific	Sept. 5,579	10,528	853	11,238	1,210	1,206	166	2,302	2,224	9,886	9,886
Cincinnati	Sept. 5,579	10,528	853	11,238	1,210	1,206	166	2,302	2,224	9,886	9,886
Colorado & Southern	Sept. 5,579	10,528	853	11,238	1,210	1,206	166	2,302	2,224	9,886	9,886
Colo., Wyo., St. Paul & Pac.	Sept. 5,579	10,528	853	11,238	1,210	1,206	166	2,302	2,224	9,886	9,886
Denver & Rio Grande Western	Sept. 5,579	10,528	853	11,238	1,210	1,206	166	2,302	2,224	9,886	9,886
Detroit & Toledo Shore Line	Sept. 5,579	10,528	853	11,238	1,210	1,206	166	2,302	2,224	9,886	9,886
Detroit, Toledo & Ironton	Sept. 5,579	10,528	853	11,238	1,210	1,206	166	2,302	2,224	9,886	9,886
Duluth, Miss. & Iron Range	Sept. 5,579	10,528	853	11,238	1,210	1,206	166	2,302	2,224	9,886	9,886
Duluth, Winnipeg & Pacific	Sept. 5,579	10,528	853	11,238	1,210	1,206	166	2,302	2,224	9,886	9,886

REVENUES AND EXPENSES OF RAILWAYS

(Continued on next page)

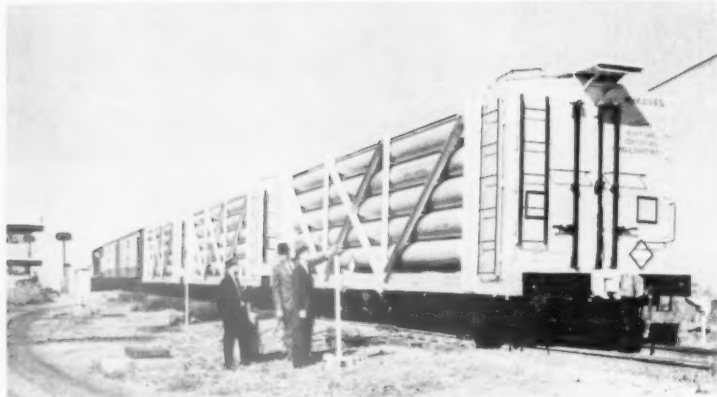
(Dollar figures are stated in thousands; i.e., with last three digits omitted)

MONTH OF SEPTEMBER AND NINE MONTHS OF CALENDAR YEAR 1961

[illegible]

Operating Expenses	
Maint	Way and Structures
Major	Equipment

Average operating period	Name of Road	Revenues				Operating Expenses				Net Railway income										
		Total		Deduct		Total		Deduct												
		1961	1960	1961	1960	1961	1960	1961	1960											
Northern Pacific																				
Sept. 9 mos.	12,950	516	14,501	16,251	2,487	2,981	340	2,757	2,844	849	398	5,716	12,886	13,084	847	82.5	2,215	1,474	851	1,285
9 mos.	6,799	288	7,998	9,069	1,335	1,553	166	1,389	1,335	1,553	166	1,389	1,335	1,553	166	1,389	1,335	1,553	1,335	1,553
Northwestern Pacific																				
9 mos.	10,831	6	12,347	13,888	2,058	2,370	242	2,128	2,058	2,370	242	2,128	2,058	2,370	242	2,128	2,058	2,370	2,058	2,370
9 mos.	3,28	1	3,711	4,155	622	703	81	622	622	703	81	622	622	703	81	622	622	703	622	703
Pacific Electric																				
Sept. 9 mos.	1,068	6	1,199	1,306	1,442	1,565	173	1,392	1,442	1,565	173	1,392	1,442	1,565	173	1,392	1,442	1,565	1,442	1,565
9 mos.	336	1	375	408	430	461	53	408	430	461	53	408	430	461	53	408	430	461	430	461
Pennsylvania																				
Sept. 9 mos.	53,950	7,307	68,704	6,522	5,571	13,977	9,231	5,044	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094
9 mos.	8,828	447,854	59,637	48,438	13,318	15,677	12,564	27,419	9,231	9,231	9,231	9,231	9,231	9,231	9,231	9,231	9,231	9,231	9,231	9,231
Sept. 9 mos.	338	415	3,627	3,779	117	106	26	5	465	465	465	465	465	465	465	465	465	465	465	465
9 mos.	126	493	4,014	4,958	4	35	10	34	4,102	4,102	4,102	4,102	4,102	4,102	4,102	4,102	4,102	4,102	4,102	4,102
Piedmont & Northern																				
Sept. 9 mos.	493	635	5,507	5,442	3,485	3,44	35	210	34	34	34	34	34	34	34	34	34	34	34	34
9 mos.	126	493	4,014	4,958	4	35	10	34	87	87	87	87	87	87	87	87	87	87	87	87
Pittsburgh & West Virginia																				
Sept. 9 mos.	532	534	550	349	35	112	337	87	349	349	349	349	349	349	349	349	349	349	349	349
9 mos.	132	4373	4,492	6,213	1,078	1,334	378	467	1,611	1,611	1,611	1,611	1,611	1,611	1,611	1,611	1,611	1,611	1,611	1,611
Sept. 9 mos.	256	258	262	15	21	19	13	12	61	61	61	61	61	61	61	61	61	61	61	61
9 mos.	120	256	258	262	15	21	13	12	134	134	134	134	134	134	134	134	134	134	134	134
Reading																				
Sept. 9 mos.	2,771	440	8,837	10,019	1,197	1,179	1,349	450	1,195	1,195	1,195	1,195	1,195	1,195	1,195	1,195	1,195	1,195	1,195	1,195
9 mos.	1,294	62,291	4,358	80,746	10,557	13,961	15,457	4,061	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625
Richmond, Fred. & Potomac																				
Sept. 9 mos.	117	340	1,553	1,197	140	294	2,05	697	37	37	37	37	37	37	37	37	37	37	37	37
9 mos.	118	10,915	3,739	18,181	486	431	39	18	1,657	1,657	1,657	1,657	1,657	1,657	1,657	1,657	1,657	1,657	1,657	1,657
Sept. 9 mos.	391	210	34	4,686	541	81	808	685	245	158	158	158	158	158	158	158	158	158	158	158
9 mos.	391	210	34	4,686	541	81	808	685	245	158	158	158	158	158	158	158	158	158	158	158
St. Louis-San Francisco																				
Sept. 9 mos.	2,633	182	2,740	3,005	618	1,655	74	515	162	22	22	22	22	22	22	22	22	22	22	22
9 mos.	491	1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552
9 mos.	4,546	76,802	1,552	84,942	88,583	11,555	13,763	1,607	3,249	3,249	3,249	3,249	3,249	3,249	3,249	3,249	3,249	3,249	3,249	3,249
St. Louis-San Francisco & Texas																				
Sept. 9 mos.	143	265	3,344	27	41	22	1	24	142	229	229	229	229	229	229	229	229	229	229	229
9 mos.	154	3,252	3,252	3,252	3,252	3,252	3,252	3,252	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750
Sept. 9 mos.	5,178	242	4,686	541	81	808	685	245	158	158	158	158	158	158	158	158	158	158	158	158
9 mos.	1,554	47,506	61	48,219	48,288	4,799	5,910	6,278	2,101	2,101	2,101	2,101	2,101	2,101	2,101	2,101	2,101	2,101	2,101	2,101
Savannah & Atlanta																				
Sept. 9 mos.	1,411	3,393	4,122	3,354	57	65	19	17	1,086	2,492	2,492	2,492	2,492	2,492	2,492	2,492	2,492	2,492	2,492	2,492
9 mos.	144	3,393	4,122	3,354	57	65	19	17	3,534	68,564	68,564	68,564	68,564	68,564	68,564	68,564	68,564	68,564	68,564	68,564
Seaboard Air Line																				
Sept. 9 mos.	10,601	864	12,421	11,372	1,331	1,505	23	294	481	4,883	9,556	9,654	76.9	84.9	2.865	1,323	1,290	776	1,323	1,290
9 mos.	5,909	10,646	116,317	119,255	14,615	8,389	1,092	2,427	4,907	4,907	4,907	4,907	4,907	4,907	4,907	4,907	4,907	4,907	4,907	4,907
9 mos.	4,716	52,933	61,669	7,525	8,886	9,607	9,805	10,319	2,514	2,514	2,514	2,514	2,514	2,514	2,514	2,514	2,514	2,514	2,514	2,514
Southern Railway																				
Sept. 9 mos.	6,267	19,473	7,63	21,854	21,906	2,469	2,476	3,665	5,40	8,556	14,953	13,885	69.0	69.2	6.901	2,666	3,676	3,230	2,666	3,230
9 mos.	6,267	16,767	7,765	190,489	194,796	23,744	24,206	3,490	9,499	4,803	62,935	137,831	137,831	137,831	137,831	137,831	137,831	137,831	137,831	137,831
Alabama Great Southern																				
Sept. 9 mos.	337	1,019	1,114	1,198	210	188	37	297	266	84	42	407	1,064	1,007	87.7	91.5	150	73	45	40
9 mos.	337	9,431	47	11,996	2,246	325	2,777	2,753	784	388	4,234	10,443	10,443	10,443	10,443	10,443	10,443	10,443	10,443	10,443
9 mos.	337	9,431	47	11,996	2,246	325	2,777	2,753	784	388	4,234	10,443	10,443	10,443	10,443	10,443	10,443	10,443	10,443	10,443
Cln. New Orleans & Tex. Pac.																				
Sept. 9 mos.	7,047	41,621	19,22	46,138	4,954	5,061	1,536	9,856	9,788	2,667	7,59	33,508	35,488	75.7	80.3	11,200	8,577	4,32	3,57	2,62
9 mos.	337	21,882	713	28,777	27,51	5,08	5,102	1,057	7,73	6,599	2,311	21	7,235	22,538	74.0	74.0	2,311	3,36	4,113	3
Georgia Southern & Florida																				
Sept. 9 mos.	397	280	26	4,097	7,116	1,199	1,236	23	73	192	1,92	4,723	4,723	4,723	4,723	4,723	4,723	4,723	4,723	4,723
9 mos.	397	4,870	296	5,952	6,581	1,185	1,426	118	665	197	1,92	4,723	4,723	4,723	4,723	4,723	4,723	4,723	4,723	4,723
New Orleans & Northshore																				
Sept. 9 mos.	671	33	782	731	173	192	24	223	230	102	27	721	719	92.2	102.5	61	78	57	76	76
9 mos.	203	6,593	357	7,651	1,575	1,782	231	1,934	918	250	2,281	6,558	6,899	89.4	91.4	813	757	433	262	262
Southern Pacific																				
Sept. 9 mos.	7,047	41,621	19,22	46,138	4,954	5,061	1,536	9,856	9,788	2,667	7,59	33,508	35,488	75.7	80.3	11,200	8,577	4,32	3,57	2,62
9 mos.	337	21,882	713	28,777	27,51	5,08	5,102	1,057	7,73	6,599	2,311	21	7,235	22,538	74.0	74.0	2,311	3,36	4,113	3
Texas & New Orleans																				
Sept. 9 mos.	4,067	3,486	293	10,388	11,788	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704
9 mos.	4,098	88,436	2,825	97,958	99,244	14,487	15,837	16,195	15,221	1,782	2,294	37,478	37,478	37,478	37,478	37,478	37,478	37,478	37,478	37,478
Spokane International																				
Sept. 9 mos.	150	259	270	329	43	49	22	26	30	9	4	159	159	159	159	159	159	159	159	159
9 mos.	150	259	270	329	43	49	22	26	30	9	4	159	159	159	159	159	159	159	159	159
Spokane, Portland & Seattle																				
Sept. 9 mos.	936	2,548	73	2,809	2,740	386	429	60	597	129	35	65	65	65	65	65	65	65	65	65
9 mos.	936	2,548	73	2,809	2,740	386	429	60	597	129	35	65	65	65	65	65	65	65	65	65
Tennessee Central																				
Sept. 9 mos.	280	2,777	2	3,872	3,104	432	420	46	522	493	152	1,995	2,271	2,566	72.2	76.2	701	105	131	131
9 mos.	280	2,777	2	3,872	3,104	432	420	46	522	493	152	1,995	2,271	2,566	72.2	76.2	701	105	131	131
Texas & Pacific																				
Sept. 9 mos.	1,828	41,555	270	5,498	5,409	491	487	59	197	243	86	35	1,419	1,502	58.5	57.5	1,11	33	55	51
9 mos.	1,828	41,555	270	5,498	5,409	491	487	59	197	243	86	35	1,419	1,502	58.5	57.5	1,11	33	55	51
Texas Mexican																				
Sept. 9 mos.	161	1,912	761	23,193	24,628	3,672	3,910	543	3,993	4,293	1,161	621	1,721	1,810	80.2	71.1	437	249	24	141
9 mos.	161	1,912	761	23,193	24,628	3,672	3,910	543	3,993	4,293	1,161	621	1,721	1,810	80.2	71.1	437	249	24	141
Toledo, Peoria & Western																				
Sept. 9 mos.	239	4,922	510	5,190	5,394	555	619	65	433	445	131	1,547	1,547	1,547	1,547	1,547	1,547	1,547	1,547	1,547
9 mos.	239	4,922	510	5,190	5,394	555	619	65	433	445	131	1,547	1,547	1,547	1,547	1,547	1,547	1,54		



ACF Builds 238,000-lb Helium Cars

New 238,000-lb helium tank cars being built by ACF for the U.S. Bureau of Mines contain 30 tanks each. Control valves and outlets for the $\frac{3}{4}$ -in.-thick tanks are in the panel behind the steel doors at the end of each car. Viewing some of

the 23-car order at C&NW's Proviso Yard are, left to right, W. F. Corcoran, C&NW's superintendent of freight terminals; R. A. Haack, ACF district representative, and E. M. Grant, district sales manager for ACF.

Rate 'Me-Tooism' Decried

Railroads need relief from "me-tooism" in rate adjustments, R. Knox Bradford, vice president—traffic of the Denver & Rio Grande Western, told the 84th meeting of the Central Western Shippers Advisory Board in Denver last week.

Asserting that rate structures and relationships have no place in today's competitive transportation picture, Mr. Bradford went on to say:

"The overall transportation picture can be greatly helped, to the economic advantage of business, by freedom to make rates which will move more business the cheapest way.

"We endeavor to meet competition and we see to it that all items cover out-of-pocket costs and contribute something towards overhead expense. When we decide we should be permitted to adjust our costs and charges to meet a certain situation, and where that situation can be met with still a profit, but a reduced one, we often are inhibited or prevented from taking this most important step either by law or by the threats of reprisal."

Mr. Bradford saw no logic in being forced to reduce rates in all related situations when a reduction is desired in only one specific movement.

When a railroad tries to make a specific rate adjustment, said Mr. Bradford, "it is immediately charged that we are treading on something sacred in the way of structures and we are upsetting relations which have existed

for so these many years. So we sit by, grind our teeth, let the business go to some other method of transportation or to some other part of the country, and then try to defend ourselves against charges of stupidity and poor merchandising."

Rio Grande's traffic vice president said the "umbrella of regulation" is handicapping many railroads in their fight for survival and perpetuating many miles of railroads which are uneconomical. "Let's get these rate problems on the basis of bargain and sell, put the transportation problem on the basis of demand, eliminate that part of the structure which is unsound and uneconomical whether it be railroad or not, and you will then have the finest and cheapest transportation system you have ever had or conceived."

Lt. Col. Charles Brazie, reporting to the board on activities of the Military Traffic Management Agency, said that freight damage to military shipments is not only costly but results in equipment arriving in unusable condition—if it arrives at all. He warned that military goods "must arrive in good condition when and where" needed.

Colonel Brazie said research is needed to develop cars capable of carrying missile propellants and other new military fuels. He said it had been determined that a tank car suitable for transporting a fuel with a boiling point of minus 400 degrees Fahrenheit would cost over \$200,000.

'Denver Zephyr' Bigger,

Better After 25 Years

The Denver Zephyr, pride of Burlington's silver Zephyr fleet, has celebrated its silver anniversary. Twin celebrations were held in Chicago and Denver. When the train first went into daily service between Chicago and Denver on Nov. 8, 1936, it clipped almost ten hours off the schedule of the then fastest steam-powered train. Two years earlier, the three-car Pioneer Zephyr had set the world's long-distance non-stop speed record running from Denver to the open-air stage at the Chicago Century of Progress Exposition in a dawn-to-dusk run of 13 hours and five minutes. The full-grown Denver Zephyr bettered this time in a pre-inaugural westbound "Gentlemen Adventurers" run on Oct. 23, 1936, when the 12-car train (containing coaches, Pullmans, dining and lounge cars) made the 1,017-mile "uphill" trip in 12 hours and 12 minutes, with an average speed of 83.4 miles per hour.

The original Denver Zephyr introduced to the traveling public many conveniences and luxuries now regarded as commonplace. Outstanding of these were 110 volt A.C. outlets in all washrooms and private sleeping rooms, telephone service between the cocktail lounge and diner and parlor-observation cars, radios in each Pullman room, individual air conditioning controls in rooms and an air curtain installed in front of the galley to keep kitchen odors from reaching dining car patrons.

Today's Denver Zephyr has grown from a low-slung, articulated train to a \$6.5-million stainless steel, Vista Dome luxury train of up to 20 cars. The newest overnight trains in the nation, the twin Vista Dome Denver Zephyrs have shown a \$9.1-million operating profit on gross revenues of \$22.7 million since they replaced the original Zephyrs five years ago.

Burlington President H. C. Murphy hosted a Chicago anniversary luncheon.

As he recalled railroad advances over the past 25 years, Mr. Murphy also took a look at the road ahead and reaffirmed Burlington's determination to maintain a profitable passenger business. "Our railroad believes in passenger business," he said. "We are convinced that the growth of our nation will support the type of service we are trying to provide. We are vitally interested in making passenger service as attractive as possible—it is an integral part of our business."

"It will be a very sad day for the railroads when and if we ever go out of the passenger business."

Market Outlook

Carloadings Drop 2.3% Below Previous Week's

Loadings of revenue freight in the week ended Nov. 11 totaled 605,057 cars, the Association of American Railroads announced on Nov. 16. This was a decrease of 14,356 cars, or 2.3%, compared with the previous week; an increase of 40,462 cars, or 7.2%, compared with the corresponding week last year; and a decrease of 33,276 cars, or 5.2%, compared with the equivalent 1959 week.

Loadings of revenue freight for the week ended Nov. 4 totaled 619,413 cars; the summary, compiled by the Car Service Division, AAR, follows:

REVENUE FREIGHT CARLOADINGS For the week ended Saturday, Nov. 4			
District	1961	1960	1959
Eastern	89,174	83,901	80,300
Allegheny	102,861	96,177	78,093
Poconantas	54,740	47,786	44,336
Southern	115,673	115,021	117,479
Northwestern	82,509	81,029	66,073
Central Western	130,587	132,123	131,393
Southwestern	43,869	43,518	43,549
Total Western Districts	256,965	256,670	241,015
Total All Roads	619,413	599,555	561,223
Commodities:			
Grain and grain products	56,262	68,008	61,723
Livestock	8,384	9,031	9,822
Coal	112,423	104,495	105,159
Coke	7,865	5,900	3,320
Forest Products	38,382	36,568	40,766
Ore	38,105	33,580	11,560
Merchandise i.e.l.	27,825	34,795	40,931
Miscellaneous	330,167	307,178	287,942
Nov. 4	619,413	599,555	561,223
Oct. 28	647,549	620,807	587,776
Oct. 21	650,775	637,573	607,517
Oct. 14	642,172	653,277	579,410
Oct. 7	639,941	645,986	557,576
Cumulative total, 44 weeks	24,283,368	26,437,192	26,311,566

PIGGYBACK CARLOADINGS.

—U. S. piggyback loadings for the week ended Nov. 4 totaled 13,498 cars, a new record, compared with 11,950 for the corresponding 1960 week. Loadings for 1961 up to Nov. 4 totaled 498,406 cars, compared with 473,795 for the corresponding period of 1960.

IN CANADA.—Carloadings for the ten-day period ended Oct. 31 totaled 99,518 cars, compared with 75,390 for the previous seven-day period, according to the Dominion Bureau of Statistics.

	Revenue Cars Loaded	Total Cars Rec'd from Connections
Totals for Canada		
Oct. 31, 1961	99,518	32,677
Oct. 31, 1960	89,503	36,198
Cumulative Totals		
Oct. 31, 1961	2,923,799	1,015,083
Oct. 31, 1960	3,090,517	1,168,836

New Equipment

FREIGHT-TRAIN CARS

► **Atlantic Coast Line.**—Is acquiring 1,000 new freight cars at a cost of more than \$12,000,000. Orders have been placed for 700 50½-ft box cars—350 to be built by Pullman-Standard at Bessemer, Ala., and 350 by ACF at St. Louis, Mo. Orders include 500 50-ton cars equipped with lading band anchors; 100 50-ton cars equipped with sliding sill cushioning devices and damage free loaders; and 100 70-ton cars specially designed to handle heavy loads and equipped with long travel, sliding sill cushioning devices and damage free loaders. ACL will place orders "in the immediate future" for 300 covered phosphate hopper cars. ACL President W. T. Rice noted that all cars will be equipped with roller bearings, "which we have found to be the answer to the age-old hotbox problem."

► **Illinois Central.**—Ordered 100 70-ton covered hopper cars from Pullman-Standard at a cost of \$1,130,000. To be used for bulk grain commodities, the cars are to be delivered before the end of November.

► **Southern.**—Ordered 47 100-ton, 30,000-gal tank cars from ACF at a total cost of approximately \$987,000. The rubber-lined cars will be used for handling phosphatic acid.

► **Western Pacific.**—Ordered ten 100-ton, 4,000 cu-ft-capacity stainless steel covered hopper cars from Thrall. Cars, to be built without center sills and with bodies of Tenelon—a stainless steel developed by U.S. Steel—will be used for bulk shipments of malt, rice, other foodstuffs, and chemicals. The cars, with an estimated light weight of 57,000 lb. can be unloaded pneumatically or through four center discharge gates.

LOCOMOTIVES

► **New Haven.**—Will send 10 locomotives to Alco for rebuilding at a total cost of approximately \$900,000. A federal court authorized the expenditure by the bankrupt road, and also agreed to the sale of 428 old freight cars for scrap, proceeds to be applied to the cost of the locomotives. The locomotives were built in 1950 and 1951.

PIGGYBACK

► **Transport Leasing.**—Will take delivery this week of 11 TOFC cars from Pullman-Standard. The new cars cost \$165,000.

SPECIAL

► **New York Central Transport Co.**—Purchased 24 cab-over-engine tractors from International Harvester at a cost of more than \$225,000. They will be used to pull various length trailers, including Flexi-Vans, in pickup and delivery service.

New Facilities

► **Illinois Central.**—Will start installation of 66 miles of CTC between East St. Louis and Du Quoin, Ill., Nov. 20. The \$400,000 project will be substantially completed by the end of 1962.

Railroads Advised: 'Unite on

► **The Story at a Glance:** The railroad legislative program is too broad, says C&NW Chairman Heineman. No real priority in legislative goals has been established. Although the railroads have public sympathy, it is not being put to work. Mr. Heineman's solution: the industry should meet somewhere and debate the issues in private, then come up with a single, immediate legislative goal that the whole industry would be committed to support. For the first time, Mr. Heineman argues, railroads would be able to make effective use of public support.

What should the single goal be? In his view, says Mr. Heineman, nothing is more important to the whole industry than abolition of minimum rate regulation.

"There's not a dry eye in the country," Chicago & North Western Chairman Ben W. Heineman says in talking of the success of the railroads' program in awakening people to the serious nature of the railroad crisis. "The trouble is," he adds, "nobody knows what we want them to do about it."

As an industry, Mr. Heineman says, railroads are seeking a very broad legis-

lative program. The railroads are asking for user charges, construction reserves, free entry into other modes and many other things. And an industry, he warns, "that establishes no real priority on legislative goals will find, not partial impotence, but total impotence." As of right now, Mr. Heineman says, there is no priority program that railroads as a united industry are prepared to support as a single legislative goal.

This need not necessarily be the case, Mr. Heineman thinks. "The railroads should meet somewhere in private," he says, "and debate these issues, perhaps at the AAR board meeting, perhaps at the meeting of member lines. They should agree that the minority would be bound to support the majority in whatever is agreed on." The effort of the conference, he says, would be to establish legislative priority for a single goal, which every element in the industry—from the shipper and consumer side as well as the railroad—would support.

"For the first time," Mr. Heineman says, "we would be able to mobilize the sympathy we command. If we told all the people who are willing to support us that we want one thing, I think

we would get it," he continued.

These points — made before New York's Transportation Research Forum last week—elaborated a theme Mr. Heineman had developed earlier before the Railroad Public Relations Association (RA, July 3, p. 28).

Speaking to the Transportation Research Forum, a group of railroad and other transportation researchers interested in the development of efficient transportation, Mr. Heineman detailed his case.

Eastern railroads met with eastern governors recently, Mr. Heineman said, and made an outstanding presentation of their situation. When they had finished one governor stood up, Mr. Heineman noted, "and asked, 'What do you want us to do?' There was a moment of silence."

In making this comment, Mr. Heineman emphasized, he was not criticizing the eastern roads' presentation. "The same thing would have happened in the West," he said, because the railroads have nowhere agreed on what is their single, most important goal.

"In my opinion," Mr. Heineman added, that goal should be "the right to set rates on a competitive basis."

RAILROADING AFTER HOURS WITH JIM LYNE

BRITONS AUTOINTOXICATED?—Lewis Mumford, the well-known authority on urban and regional development, recently took out after Britain (in an article in the New Yorker magazine) for its failure to profit from U.S. mistakes in transportation.

"Britain," he said, "has lately brought forth a new society dedicated to the perverse object of wiping out the nation's railway system and bringing both people and goods into London by bus and truck. Apparently only the blind and the halt fully qualify as traffic experts."

Somewhere I've seen the U.S. highway network related to the famous Greek statue of Laocoon—the old fellow and his sons being squeezed to death by some big snakes. A perfect representation of almost any large U.S. city today—and more serpents on the job every time you look.

BARLOON STUMPING—I note that Marvin Barloon, economics professor at Western Reserve University, is mouthpiecing again for inland waterways' operators. This time he is reported as telling a bargemen's meeting at St. Paul that proposed tolls on inland waterways traffic would "increase seriously the cost of shipping iron, steel, grain and petroleum products by barge."

They must purvey a peculiar brand of economics at Western Reserve. The way the subject was taught where I went to school, the levying of tolls on the use of the waterways would not alter the cost of hauling iron, steel, grain, oil or any other commodity in the slightest degree. Such

tolls would merely transfer that part of the cost that is now being defrayed by taxpayers, to the users of barge facilities.

You do not change the cost of anything merely by deciding that the users are going to have to pay all or most of it, instead of shaking down the taxpayers for a big part, as they do now.

PROMOTION vs DEMOTION—That fellow Boyd who heads the Civil Aeronautics Board is lecturing the airlines on the urgency of mergers—lest "financial conditions in the industry become worse." If the airlines don't bestir themselves to get merger studies going, then the CAB will move in and do the job for them. "Time is of the essence," Boyd added.

This is the official government attitude toward airlines at 14th Street just off Pennsylvania Avenue, in Washington. One block east is the headquarters of the ICC, where railroad mergers are under discussion—but where time is not so much of the essence; and where the "financial conditions in the industry," serious as they are, don't seem to keep anybody awake nights. And where what is jocularly known as the Justice Department intervenes from time to time to decelerate the snail-like pace of the merger process, or stop it in its tracks.

And now along has come a plan to improve air transport safety (a worthy goal) at a cost of a half-billion dollars—presumably at the taxpayers' expense. Promoting air travel would be okay by me, if it didn't involve demoting railroad service at the same time.

One Goal'

Without this right, Mr. Heineman asserted, "You can write out the railroad industry as a volume industry."

The failure of the railroad industry to grow along with a growing economy has been brought about, Mr. Heineman said, "not because of our inability to compete, but because we've not been permitted to use our inherent advantage. The principal inherent advantage of railroads is cost."

Trucks have different inherent advantages, Mr. Heineman noted, adding, "I know of no effort to curtail the inherent advantage of trucks. Yet because we're dealing with prices, . . . the Interstate Commerce Commission is saying day after day, the railroads may not take advantage of their inherent advantage by lowering rates."

In reviewing the background of minimum rate regulation and the national transportation policy, Mr. Heineman noted that prior to the passage of the Transportation Act of 1958, the Interstate Commerce Commission followed the mandate of the Transportation Act of 1940 in adhering to the "umbrella" theory of rate-making. "At least," Mr. Heineman said, "competitive rates based on costs were not alone the criteria."

Following passage of the 1958 Transportation Act, he asserted, the Commission's decisions construed as meaning something the wording of the 1958 act to the effect that subject to national transportation policy, rates would not be kept up to protect the traffic of any one mode — "and rate reductions by railroads were allowed to go into effect."

However, Mr. Heineman said, following unified teamster and trucker attacks culminating in the proposed S.1197 (the so-called Hoffa bill), the Commission reversed its field. "I think," Mr. Heineman said, "in several of its decisions, the Interstate Commerce Commission is acting as though S.1197 were in fact enacted into law. . . . In my opinion, S.1197 will fail [of passage] but if the Interstate Commerce Commission continues in its present course, S.1197 will not need to be enacted because its effects will have been achieved."

What you have, Mr. Heineman said, is a situation where "eleven wise men substitute their judgment [on the allocation of traffic] for the competitive market mechanism in a highly competitive area. . . . I hear expressions of great government concern about the plight of the railroads, and I find repeated decisions of the Interstate Commerce Commission denying railroads the right to lower rates. . . ."

"In a sense," Mr. Heineman added,

Retrogression: A Case History

The Agricultural Implement case, Docket 33334, says C&NW Chairman Heineman, is a specific example of the drift by the Commission away from the 1958 Transportation Act and back toward the 1940 act.

The facts in the case, he said, are that the railroads set out to get a larger share of the shrinking market in transportation of farm machinery. To do this, they reduced rates materially and the rates were in effect during the ICC investigation. The Commission conceded that the railroad rates were higher than fully distributed costs of the rail service and conceded also that the rates had succeeded in diverting a substantial percentage of traffic from competing motor carriers, with the result that the competing motor carriers would probably be forced either to lower their rates or—because of decreased traffic—to go out of business.

In deciding against the rail rates, Mr. Heineman said, "the Interstate Commerce Commission held—and I found this most interesting—that

these rates were below a reasonable maximum and would produce a rate war . . . which would reduce revenue for both modes. There was no discussion of the impact on the public, the farmer, the effect on foreign competition, etc.

"Neither mode, they thought, although there was no evidence so far as I know, would profit. This case puts in sharpest outline the problem of logic one gets into in a competitive industry when one seeks to establish regulatory judgment for the pressures of the market place.

"This establishes as a basic national transportation policy [the theory that] where rates are not reduced to meet competition, lower rates are not appropriate. I'm certain I'm not overstating the case. Not only is the decision bad, but the entire philosophy behind the decision is bad and—in my opinion—indefensible. If this is a requirement of the National Transportation Policy as set forth in 1940—I don't believe it is—the policy must be changed."

"I sound critical of the Interstate Commerce Commission, but they are following the mandates of the 1940 act. I believe there has been—to a degree—intimidation of them. The act of 1958 made a change—and you could see it. As truckers and teamsters mounted their attack, [interpretations of] Section 13 returned almost exclusively to the broad policy of the 1940 act. People cannot be trusted in a competitive situation to allocate business. Where there is full fledged competition, the market mechanism is the most efficient."

In calling for elimination of minimum rate regulation, Mr. Heineman made clear that he was not also proposing the abolition of maximum rate regulation. He would also, he said, subject the railroad industry to anti-trust laws, on matters of substance if not of rate-bureau machinery. In fact, Mr. Heineman said, "in my opinion, the Bulwinkle Act [permitting railroads to take joint action in rate matters] would apply to prevent two railroads conspiring together to drive a competitor out of business."

Under the present regulatory policies, Mr. Heineman said, "we live in an era when no one should succeed and no one should fail. The market mechanism is not that generous."

Abolition of minimum rate regulation is important, Mr. Heineman said, because "railroads are becoming more

and more conscious that . . . in any likely increase in traffic, we can increase our volume without a proportional increase in costs. . . . [Railroads] are engaging in an aggressive effort to lower rates. Whether as a result of technical changes such as aluminum cars or articulated trains, or modern focus, or whatever it is, the fact is that railroads today are recognizing, almost for the first time, that increased volume and lower rates can result in substantial increases in net income."

Increased volume will come, Mr. Heineman said, partly from the natural growth of the economy and partly from traffic that is now moving in private and exempt carriage. And this is the difficulty, he said, since rates reduced to get traffic from private and exempt carriage impinge on regulated or for-hire transportation, because these rates overlap. The result is that rate reductions aimed at the private segment of transportation "frequently—indeed usually—have an impact on the regulated motor carriers and they come in and oppose. . . . In this highly competitive area, the Interstate Commerce Commission is surely acting as a regulator of traffic between competing modes. . . . In determining . . . that rail rates may not be reduced, they are in effect securing the continued growth of private traffic and, I might add, exempt for-hire transportation. . . ."

PEOPLE IN THE NEWS

ASSOCIATION OF AMERICAN RAILROADS.—E. J. Ruble, research engineer structures, promoted to executive research engineer, replacing E. E. Cress, principal research engineer, who retired Aug. 31. Freeman P. Drew, assistant research engineer structures, succeeds Mr. Ruble.

BALTIMORE & OHIO.—Robert E. Miller, personnel assistant, Baltimore, appointed assistant manager—personnel. Charles E. Schwatka, assistant manager—employment, promoted to chief—employment bureau.

CANADIAN PACIFIC.—W. J. Stenason appointed assistant to the president, Montreal. Mr. Stenason was formerly director of economic research. E. P. Jolicœur, special assistant to the president, continues as assistant to the president.

CHICAGO & NORTH WESTERN.—Thomas A. Ross, assistant secretary, elected secretary, to succeed Edward A. Vik, who retires Nov. 30. Carleton H. Vail, assistant secretary, succeeds to Mr. Ross' position, and in turn is replaced by Richard J. Hill, agriculturist.

CHICAGO UNION STATION.—H. P. Denzler, assistant secretary, appointed auditor and secretary, succeeding the late A. B. Olson.

ELGIN, JOLIET & EASTERN.—Joseph E. Arado, assistant general freight agent, Chicago, appointed director of industrial development there.

FLORIDA EAST COAST.—L. Leuders appointed general superintendent—locomotive department, with jurisdiction over all locomotive inspection, repair and servicing operations. Abolished position of master mechanic at Bowden, Fla., formerly held by Mr. Leuders.

FRISCO.—R. B. Blaylock, assistant communication and signal supervisor, Northern division, Ft. Scott, Kan., appointed communications supervisor—system, Springfield, Mo. G. B. Randall, senior draftsman, Springfield, succeeds Mr. Blaylock.

KANSAS CITY SOUTHERN-LOUISIANA & ARKANSAS.—L. O. Frith elected executive vice president, Kansas City, Mo.

LOUISVILLE & NASHVILLE.—Douglas McKellar, formerly president, Louisville Flying Service, Inc., named to the newly created position of director of marketing, L&N.

Charles E. Waelder, trainmaster, Montgomery, Ala., appointed to the new position of assistant division superintendent, Atlanta, Ga.

William D. Broeman appointed manager-freight rates, Louisville. W. R. Myers named assistant general freight agent-rates and charges, Louisville.

MAINE CENTRAL.—John C. Parker, former assistant engineer of structures, will head a newly established section within the freight traffic department which will analyze all reports of carloads of freight originated and terminated on the McC. together with those moving to and from connecting carriers. Comparisons will be made which will be of value to the road in meeting the transportation requirements of Maine industry. The conclusions will be used primarily by traffic officers and sales representatives who are continually adjusting railroad service in line with industry needs. Ralph W. Libby, former

head clerk, stores bureau, office of auditor of disbursements, will assist Mr. Parker.

MILWAUKEE.—K. O. Schoeneck, assistant superintendent, Milwaukee Terminals, Milwaukee, Wis., transferred to the Chicago Terminals. Duane H. Orr, switchman, Savanna, Ill., named trainmaster, Milwaukee Terminals.

MISSOURI-ILLINOIS.—Richard T. Williams appointed traffic manager, St. Louis, Mo., succeeding George L. Eastman, who retires Nov. 30. Mr. Williams was merchandise sales manager, Missouri Pacific, St. Louis.

NICKEL PLATE.—Edward T. Reilly, coal freight agent, Cincinnati, Ohio, appointed general coal freight agent, Chicago. Owen W. Eiseimon named general coal freight agent, Cleveland. Joe N. Farinacci appointed coal traffic representative, Cleveland. The coal sales office at Cincinnati has been discontinued.

PENNSYLVANIA.—Joseph H. S. Winne, district passenger manager, Philadelphia, transferred to Washington, D. C., succeeding Henry W. Ring, promoted to regional passenger manager, Chesapeake region, Baltimore.

SEABOARD.—Stuart M. Duffer, assistant director of personnel, appointed director of personnel, Richmond, Va., succeeding the late Jasper S. Riggan.

R. E. Thomas appointed budget director, succeeding G. L. Parsons, named auditor of disbursements, replacing the late E. T. Amis. Lester L. Knight, vice president—finance and accounting, Richmond, retires Nov. 30.

TERMINAL RAILROAD ASSN. OF ST. LOUIS.—Philip A. Smith appointed superintendent of signals and communications. Abolished positions of signal engineer and superintendent of communications. Oscar E. Miller, signal engineer, assigned to consultant duties due to reasons of health. E. B. McCormick, superintendent of communications, has retired.

TORONTO, HAMILTON & BUFFALO.—William J. Nicholl appointed purchasing agent, Hamilton, Ont., succeeding Archdale S. Coombs, who retired Oct. 31.

WABASH.—M. W. Hollenbeck appointed superintendent, St. Louis terminal division, St. Louis, and N. N. Burgher named superintendent, Buffalo terminal division, Buffalo, N. Y. M. P. Anglen named assistant superintendent transportation, St. Louis. The following appointed assistant superintendents: J. J. Redden, St. Louis terminal division, St. Louis; G. P. Hill, Montpelier division, Montpelier, Ohio; W. P. Beasley, Montpelier division, Peru, Ind. R. N. Bronson and T. H. Currah named trainmasters, Detroit Terminal, Detroit, and Buffalo division, St. Thomas, Ont., respectively.

Supply Trade

William A. Johnson has been appointed regional engineer, railroad sales, Pacific region, Armco Drainage & Metal Products, Inc., Berkeley, Calif., succeeding George W. Sondag, retired.

The Railroad Products Division of American Brake Shoe Co. has begun conversion of its Toledo, Ohio, cast iron freight car wheel



W. J. Stenason
CPR



Thomas A. Ross
C&NW



Joseph E. Arado
EJ&E



Stuart M. Duffer
Seaboard

foundry to the production of its "Southern" cast steel wheel at a cost of \$2.5 million. The plant conversion is expected to be completed late in 1962. The plant will then be capable of producing 45,000 wheels annually.

Robert I. Becksted, who recently retired as signal engineer, Eastern region, Canadian Pacific, Toronto, Ont., has been appointed Canadian representative for Railroad Accessories Corp., Montreal, Que.

Fred M. Groff has been appointed sales manager, Keystone Railway Equipment Co., Chicago. He was formerly eastern district sales manager, Stran Steel Corp.

The Goodyear Tire & Rubber Co. of Akron, Ohio has added three lining shops to its national network of regional rubber lining applicators. Contracts have been completed with Moon Welding & Machine Corp., Kokomo, Ind.; Chemical Proof Corp., Seattle, Wash., and Standard Rubber Co., Inc., San Francisco and San Jose, Calif., for application and repair work on Ploweld and Trioweld lining materials. The materials are used to protect metal surfaces against corrosion and abrasion in steel mill processing equipment, general chemical handling and railroad tank cars.

Arthur W. Gaulke has been appointed vice president—sales of Speaker Sortation Systems, Inc., Brookfield, Wis.

OBITUARY

Oscar N. Holmberg, 64, retired assistant to the vice president, operating department, Chicago & North Western, died Nov. 4 while on a trip in Missouri.

Elmer C. Wrausmann, 62, vice president—sales, St. Louis Car Co., died Nov. 8 following surgery.

John W. Ziesemer, 61, assistant comptroller, Richmond, Fredericksburg & Potomac, Richmond, Va., died Nov. 11.

Oilman Gives Transport Views

For-hire carriers will get a larger share of Socony Mobil Oil's transportation business if they show "imagination and innovation to outperform us in moving oil cheaply, dependably and safely."

That challenge came last week from Albert L. Nickerson, chairman of the board of Socony Mobil, in an address before the annual meeting of the American Petroleum Institute's division of transportation in Chicago.

Despite the fact that Socony Mobil has invested \$500 million in its own transportation facilities, said Mr. Nickerson, the oil company last year bought more than \$58 million worth of for-hire transport in the U. S. alone. And, he promised, Socony Mobil is willing to "go to great lengths to make it easier for them [common carriers] to 'compete' us out of at least a part of the transportation business that we do for ourselves.

"As a representative of a major private carrier and shipper, I say without hesitation that there is not only plenty of room for both private and for-hire carriage, but also a strong and specific need for each," said Mr. Nickerson.

"We want the for-hire carriers to stay

in business, to prosper, and to grow by being competitive in cost, service, and reliability with the transport that we can provide for ourselves. In addition, we appreciate the margin of security that the for-hire carriers make available to us. We ask the for-hire carriers to take advantage of every improvement in technology or operating innovation that either they themselves, we, or others can develop. If only in our own self-interest, we stand to benefit from any savings that result. . . .

"We will do business with [for-hire carriers] on the basis of volume tender rates for over-the-road carriers when this promises to benefit both the carriers and us. . . . We will also respond constructively when our friends in for-hire carriage challenge us to reappraise the true value of our own transport operations on the basis of realistically allocated costs. . . ."

Mr. Nickerson said he was alarmed by certain trends that are weakening for-hire carriers, because "only as long as the for-hire transportation industry is free to compete for our business can we be free to select the kind, quality, and quantity of transportation that serves us best, be it for hire or be it our own."

He mentioned four such "trends":

- "First, for-hire carriers are subjected to government regulations that are increasing in number, complexity and stringency. . . .

- "Second, for-hire carriers have long suffered from discriminatory taxation. . . .

- "Third, the cost-price squeeze that has affected all industry has certainly been felt by the for-hire carriers. . . .
- "Fourth, the for-hire carriers have—perhaps more than other industries—suffered from extremely bitter intra-industry differences that have received prolonged airing in the legislative halls, in the courts and in the press."

The last of these, said Mr. Nickerson, is one problem to which the carriers themselves hold the solution: "In this respect, it is not too late for them to retain some considerable control over their own destiny."

The Socony Mobil chairman called for "restraint" in seeking government solutions to competitive problems. "Every additional regulation thus imposed upon any one kind of carrier sooner or later, directly or indirectly, increases the regulatory burden on all carriers," he said. "Conversely, the removal of any such restriction would eventually benefit carriers, shippers, and consumers alike," the oil company executive concluded.

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You Ought To Know...

The "Golden Freight Car" award, top prize in the Annual Traffic Promotion competition sponsored by Railway Progress Institute, was won by the Frisco. The award, made at RPI's annual dinner last week in Chicago, was based on Frisco's "excellent promotion program in the fields of selling, service information and managerial training." Four Certificates of Merit were also awarded by RPI. Winners were the Milwaukee, New York Central, Reading and Western Pacific.

A second weekly all-TOFC train between the Southeast and New York was inaugurated by Atlantic Coast Line last week. The train will leave Tampa, Fla., each Tuesday at 5:15 p.m. and arrive at Kearny, N.J., at 2 a.m. Thursday after several intermediate stops.

Trial shipment of a Nike-Hercules missile by piggyback is scheduled for Dec. 1. Two flatbed trailers and two van-type trailers will be loaded with missile components at Pueblo Ordnance Depot, Colo., for shipment to Ft. Bliss, Tex. Santa Fe will handle the shipment—which will move on G85 flat cars—in regular freight service. The trial shipment has resulted from tests conducted at Savannah, Ill., early in 1960 (RA, May 23, 1960, p. 16).

Motor carrier interchange arrangements on the Missouri Pacific have grown to such an extent that today that road interchanges both LTL and truckload freight with 225 motor carriers at 22 points on the MP system. The number of motor carriers with whom interchange is made ranges from 90 at St. Louis to 55 at Kansas City, 39 at Memphis, 23 at Houston, and so on down to a single carrier in smaller cities.

Higher mileage allowances—from 3.25 cents per mile to 3.75 cents per mile—have been approved for three types of privately-owned hopper cars. Increased allowance becomes effective Jan. 1, 1962. Cars include self-clearing center hoppers; self-clearing center-and-end hoppers, and one series of hoppers that are not self-clearing. The General Committee of AAR's Operating-Transportation Division conducted a letter ballot on the proposal. The vote was 1,504,602 to 914,627 in favor of the increase.

A "back-door subsidy" for the Chicago Transit Authority has been rejected by the Illinois Senate. The proposal was for the state to grant CTA \$3,150,000 annually to reimburse it for losses incurred in carrying school children at half fare. The Illinois Railroad Association, which opposed the idea, said "subsidies for a non-taxpaying public transportation facility to aid it in competing with private carriers . . . is un-American and not in keeping with our free enterprise system."

The Transportation Report prepared for President Kennedy by the Department of Commerce "in all likelihood will affirm the belief that a strengthening of enforcement procedures is needed to protect the regulated common carrier from the depredation of illegal operators," ICC Commissioner C. E. Herring told the Pennsylvania Motor Truck Association at Philadelphia. The report has not been made public.

A \$2,381,602 contract for relocating 15.8 miles of railroad outside the Norton Dam Reservoir area in northwestern Kansas has been awarded to the Van Buskirk Construction Co. of Sioux City, Iowa, by the U.S. Bureau of Reclamation. Project requires rerouting of the Rock Island around the reservoir and relocation of connections to the Burlington.

Pacific Fruit Express Co., in testimony before the ICC, has charged that if Santa Fe wins control of Western Pacific, it would be unable to supply enough mechanical refrigerator cars to meet the needs of both its own and WP shippers. PFE, owned jointly by Union Pacific and Southern Pacific, now supplies the refrigerator cars used by WP. Santa Fe has implied that if it gains control of WP it will not renew the WP's car-supply contract with PFE which expires in 1963, but will provide cars from its own fleet. In other testimony, W. Gordon Robertson, president of the Bangor & Aroostook, said his road could be financially crippled if Santa Fe gains control of WP and does not renew PFE's contract, since most of BAR's off-season rental of reefers is to PFE.

ICC hearing in Washington on the barge-line purchase proposed jointly by the Norfolk & Western and Chesapeake & Ohio has been postponed from Dec. 5 to Feb. 5. The barge line sought is Island Creek Fuel & Transportation Co., an Ohio River coal hauler, which is now owned by Island Creek Coal Co. (RA, Apr. 10, p. 11).

Tucker Advocates 'Regional-Plan' Mergers

Overall merger planning under government auspices is called for in the opinion of Commissioner Tucker of the ICC, a Kennedy appointee from the President's home state of Massachusetts. The master-plan approach, which "proved itself a failure," is not favored by Mr. Tucker, but he thinks "regional-plan concepts" would be superior to the present "piecemeal" approach. Expounding his views in a Nov. 16 lecture at the Boston University School of Law, Mr. Tucker said he did not contemplate compulsory consolidations. He would assign the government a role of "fostering and stimulating mergers by assistance in planning, negotiating and consummating them."

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by Lawrence W. Sagle

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A separate section is devoted to operating problems, and covers the work of the train conductor, schedules, train orders, the function of the classification yard and the break-bulk station, moving fast freights over the rails, and similar subjects which give the reader an inside view of this aspect of American transportation.

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Samson Gets His Hair Cut

Railroads are confronted with an emergency—by the recent alarming trend of Interstate Commerce Commission decisions to force railroads to hold a rate “umbrella” over their waterway and truck competitors. (Two such cases were reported by Walter Taft, our Washington editor, in last week’s issue, page 10—and a couple more were referred to editorially on page 42 of the same issue.)

Freedom of the railroads to make competitive rates—wherever they can do so at a margin above direct costs—is indispensable to restoration of railroad traffic and earnings. The objective of the railroads’ “Magna Carta” program is primarily the securing of a more equitable and economic allocation of transportation costs among the several methods. “User charges” for government-owned transportation property, and uniform taxation of all kinds of transportation, would have the effect of reducing the relative unit costs of railroad transportation, in comparison with those of agencies which are now subsidized and undertaxed.

But how can relatively lower unit costs of railroad service be of any help in improving railroad traffic and earnings, if regulators are going to deny railroads the right to reflect lower costs in lower relative rates?

Ever since enactment of the revised rule of rate-making—Sec. 15 a(3)—in 1958, the Interstate Commerce Commission has been subjected to systematic propaganda from truck and water lines, seeking to induce the Commission, in effect, to nullify the new rule of rate-making by relying heavily on the statutory instruction to give effect to the “national transportation policy.”

Truck and waterway propagandists have been seeking to have “national transportation policy” interpreted as the equivalent of a rule forbidding railroads to practice what is anathematized as “selective rate-cutting.” This term, like sin, is seldom precisely defined—but what the railroads’ rivals mean by it is, quite evidently, any railroad rate which might cause a truck or barge line to lose a few carloads of freight.

Also classified in the iniquitous category of “selective rate-cutting” is the setting of the railroad rate “floor” at out-of-pocket costs rather than at the artificially high level known as “fully distributed costs.” An engaging attribute of “fully distributed

costs is that, the more traffic railroads lose, the higher this variety of costs would be. When you lose traffic because your rates are too high, you raise your rates still higher. The situation confronting railroads was ably summarized a couple of weeks ago by President Clair Roddewig of the Association of Western Railways, as follows:

“Statements by spokesmen for the water carriers that two-thirds of railroad traffic is hauled at less than cost, and that this practice must be stopped by upping rail rates, represent just another attempt by barge operators to eliminate rail competition.

“Not satisfied with the already considerable competitive advantage they enjoy by reason of their free use of the navigation channels and locks that are built and maintained by the taxpayers, the water carriers are trying to stop the competitive pricing efforts of the railroads by spreading misinterpretations and misunderstandings about the Interstate Commerce Commission reports.

“To substantiate their charges that railroads are carrying freight at less than cost, the water carriers point to an Interstate Commerce Commission study which reports that not all railroad traffic contributes the same pro-rata share to overhead expenses. The water carriers then interpret this to mean that a substantial amount of rail traffic is carried at less than cost.

“This is not true and such an interpretation shows a disregard for the marketing methods followed by all businesses, whether they be department stores, drug stores, hardware stores, or railroads. No store owner tries to make every item he sells contribute the same pro-rata share of overhead expense. . . .

“Contrary to the statements of the water carrier spokesmen, the railroads do not handle any freight business at below-cost rates. As financially hard-pressed as they are, the railroads are in no position—as the barge operators charge—to carry freight at a loss. However, like all businesses, the railroads are willing to take a small profit on competitive business in order to get some contribution to overhead expense.”

The railroad position on the question of competitive rate-making is rationally and economically invulnerable—and most railroad leaders have apparently believed that the logical and moral strength of their cause was sufficient defense. But the increasing trend to “umbrella” rate-making by the ICC (and the recent failure by only one vote of the S. 1197 ripper bill to get a favorable report from the Senate Commerce Committee) clearly show that being right is no guaranty of victory.

TO MAKE MAGNA CARTA EFFECTIVE

We hope Mr. Roddewig will persist in his educational campaign and that other railroad leaders will join him in his efforts. If the “selective rate cutting” big lie should gain ascendancy in regulatory and public acceptance, then all the rest of the railroads’ Magna Carta campaign would be of little effect in restoring railroad traffic and earnings. The railroads’ strength lies in their low line-haul costs, as the Old Testament’s Samson’s did in his long hair. Denying railroads the right to reflect their economy in their competitive rates is like what happened to Samson when Delilah cut his hair.

U. S. PATENT No. 3,003,436



Hydroframe-60 invention utilizes long travel cushioning to eliminate lading damage...U. S. grants a basic patent

A new Pullman-Standard long travel cushioning invention has been granted U. S. Patent No. 3,003,436. This broad basic patent applies to cushion travel in the range of from about 20 to approximately 40 inches.

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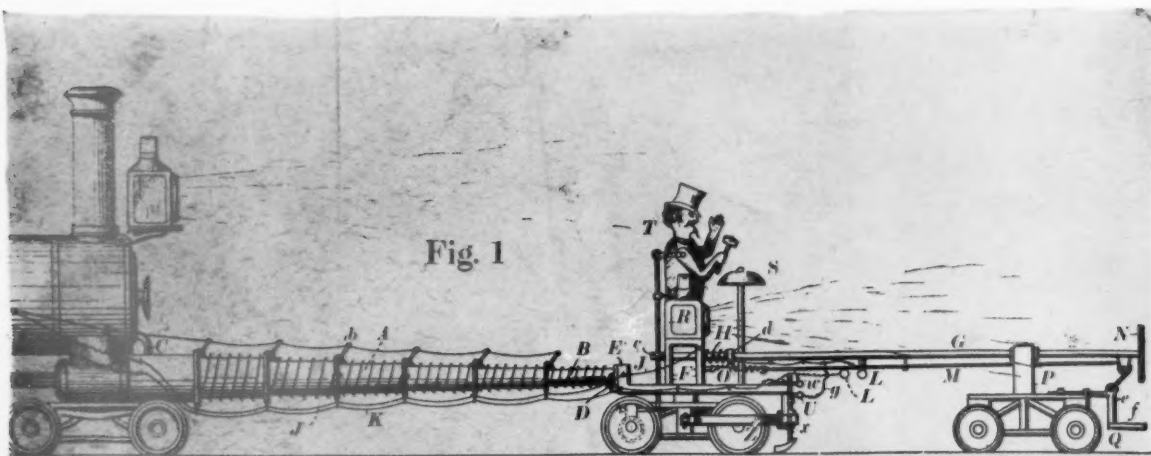
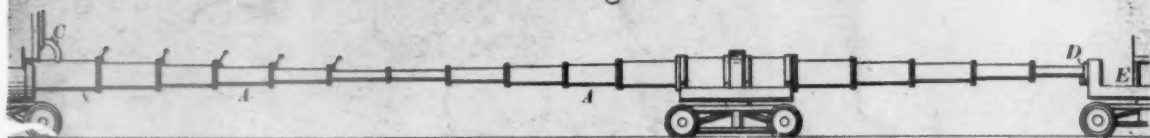


Fig. 2



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